

Ref. No.: NBCC/BS/BSENSE/2021-22

September 8, 2021

|   |  |
|---|--|
| <b>National Stock Exchange of India Ltd.</b><br><b>Exchange Plaza, 5<sup>th</sup> Floor,</b><br><b>Plot no. C/1,G Block</b><br><b>Bandra Kurla Complex</b><br><b>Bandra (E), Mumbai-400051</b><br><br>NSE Symbol: NBCC/EQ | <b>BSE Limited,</b><br><b>Floor 25 ,</b><br><b>Phiroze Jeejeebhoy Towers,</b><br><b>Dalal Street,</b><br><b>Mumbai-400 001</b><br><br>Scrip Code: 534309 |
|---|--|

**Subject: 61<sup>st</sup> Annual General Meeting: Notice and Annual Report for the F Y 2020-21.**

Sir,

This is to inform that the **NBCC's 61<sup>st</sup> Annual General Meeting (AGM)** would be held on **Thursday, September 30, 2021 at 2:00 pm (IST) through Video Conferencing (VC) /Other Audio Visual Means (OAVM)** in accordance with the provisions of the Companies Act, 2013 read with the applicable General Circular as issued by the Ministry of Corporate Affairs (MCA) and SEBI, from time to time.

A Copy of the NBCC's Notice of 61st Annual General Meeting and Annual Report for the Financial Year 2020-21 are enclosed herewith.

Further, in compliance of the relevant circulars, the Annual Report for the Financial Year 2020-21 including the Notice of 61<sup>st</sup> Annual General Meeting is also being sent to all the members of the Company electronically whose email addresses are registered with their Depository Participant/ RTA of the Company.

The aforesaid information is also available on the website of the company i.e. <https://www.nbccindia.com/webEnglish/annualReport>

This is for information and record. Kindly acknowledge receipt.

Thanking you,

Yours Sincerely

For NBCC (India) Limited



*Deepti Gambhir*  
Deepti Gambhir  
Company Secretary  
F-4984

Encl: as above



*A Navratna CPSE*

skylines that create a prosperous tomorrow

**61<sup>st</sup>** ANNUAL-REPORT  
2020-21



*A Navratna CPSE*

Registered and Corporate Office

# **NBCC (INDIA) LIMITED**

*(A Government of India Enterprise)*

CIN-L74899DL1960GOI003335

NBCC Bhawan, Lodhi Road, New Delhi-110003

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

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

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



World Trade Centre, Nauroji Nagar, Delhi

# NBCC at glance



- Established in 1960 as the construction arm of the Government of India to execute civil engineering projects for the state governments, various central government ministries, public and private sectors.
- Achieved the status of a 'Navratna' Company in 2014.
- Headquartered in New Delhi, with footprints across India, and ventured into overseas operations in the year 1977 and have presence in Maldives, Mauritius, Dubai etc.
- On the domestic front, company is executing various mega projects such as World Trade Centre and International Exhibition-cum-Convention Centre at New Delhi. Your Company is also a prime mover in redevelopment of GPRA colonies, country's healthcare infrastructure and has undertaken the execution of several significant projects such as hospitals, medical colleges, health care facilities pan India. Further, NBCC signed a MoU with the Government of Mauritius to undertake construction of 4 projects in Mauritius - Police Academy, Forensic Science Laboratory, National Archives & National Library and renovation of Bank of Baroda Building.

## Areas of business:

### a) Project Management Consultancy (PMC)

- Civil construction projects including residential and commercial complexes, hospitals, educational Institutions, re-development projects of the Government.
- Infrastructure works for the national security including border fencing along the Indo-Bangladesh and Indo-Pak border.
- Infrastructure projects for the civil sector including roads, water supply, waste management system, storm water systems and water storage solutions.
- Project implementation for Pradhan Mantri Gram Sadak Yojna (PMGSY) and developmental work in North Eastern Region.

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

NBCC operates in the Infrastructure Segment as well, wherein it executes projects such as High Rise Chimneys, Cooling Towers, Coal Handling Plants etc. Under EPC, our services include Projects conceptualisation, Feasibility studies, Detailed

Project Reports, Basic and detailed Engineering, Procurement, Construction, Commissioning & Testing and handing it over to clients in ready to use and functional conditions.

### c) Real Estate Development

It includes :

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

### Financial highlights

- Total Income for the FY 2020-21: ₹ 7,012.36 crore and PAT of ₹ 236.24 crore (consolidated).
- Listing: National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange (BSE).

### Subsidiaries

- NBCC Services Limited: to provide post-construction maintenance services, renovation & furnishing services to clients and CSR works of the parent company.
- Hindustan Steelworks Construction Limited: to carry out business of implementation of integrated steel plants.
- HSCC (India) Limited: It is a multi-disciplinary organization engaged in rendering comprehensive consultancy services in the field of Hospital planning, design, detail engineering, quality control, project management and monitoring as well as procurement, supply, installation and commissioning of medical equipments.
- NBCC Engineering & Consultancy Limited.(NECL)\*: to provide comprehensive suite of design and consultancy services for construction activities.
- NBCC International Limited(NIL)\*: to carry out the construction, real estate and project management consultancy business in overseas countries.
- NBCC Environment Engineering Limited(NEEL)\*:to carry out the business in the field of environment and sustainability.
- NBCC DWC-LLC: for conceptualising, designing and construction of India Pavilion at World Expo-2020 to be held in Dubai in 2021.

\* NECL, NIL, AND NEEL are under closure and NBCC Gulf LLC has been liquidated on June 20, 2021.

### Joint Venture

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

### Human Resource Capital

- On the basis of scientific and rigorous assessment of NBCC People Practices, renowned great place to work institute has certified and included NBCC in the distinguished list of companies identified as “Great Place to Work”.
- As on March 31, 2021, NBCC’s workforce stands at 1,496 employees.

### Sustainable development - Landmark projects (Domestic)

- All projects are executed with Green Building and GRIHA norms.
- Ensure zero discharge of waste by recycling of water, solid waste including plastic waste, construction and demolition waste.

### New technologies

#### Foreign Collaborations

- JSV - Belzarubezhstroy of Belarus to undertake infrastructure and energy development projects in India and Republic of Belarus.
- Department For International Development (DFID) India for collaboration to strengthen, promote and develop Sustainable Smart Cities, Integrated Smart Railway Stations with Green Building Technologies in India.

### Rating

- Your Company has been consistently receiving the “Excellent” rating from the Government of India since 2004 except one year.

# NBCC'S

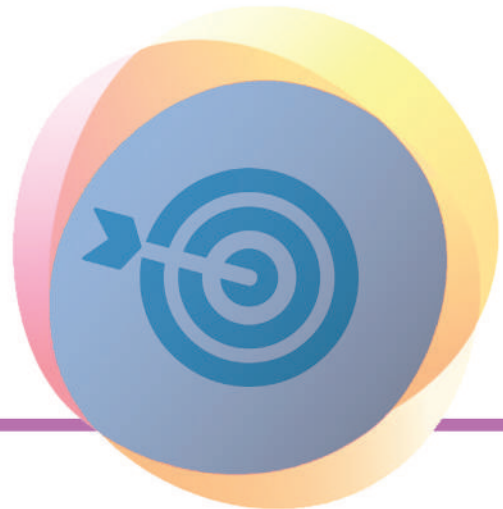


## VISION

To be a world class Integrated Engineering, Construction and Project Management Consultancy Company aiming at accelerating sustainability and providing excellence with utmost governance.

## MISSION

To continue to be the building block of the nation by providing high quality, sustainable infrastructure development across the nation through innovative and world class construction solutions and optimizing value for all stakeholders and providing utmost customer satisfaction.



## OBJECTIVES

To be the first ranked construction business Company in India and to adopt best practices and state-of-the art technology in construction business to achieve a premier position and gain sustainable competitive advantage.



## REFERENCE INFORMATION

### REGISTERED OFFICE

NBCC Bhawan, Lodhi Road,  
New Delhi-110003

### STATUTORY AUDITORS

M/s Dhawan & Co.

### COST AUDITORS

M/s Chandra Wadhwa & Co.

### SECRETARIAL AUDITORS

M/s P C Jain & Co.

### BANKERS

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

### DEPOSITORIES

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

### LISTED AT

National Stock Exchange of India Ltd., and  
BSE Limited

### COMPANY SECRETARY

Smt. Deepti Gambhir



### REGISTRAR & SHARE TRANSFER AGENT

M/s Bigshare Services Pvt. Ltd.

- (1) E3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai-400 072 (Regd.)
- (2) 302, Kushal Bazar, 32-33, Nehru Place, New Delhi- 110019 (Branch)





Super Speciality Hospital, Rourkela, Odisha



Aayakar Bhawan, Srinagar



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## BOARD OF DIRECTORS



**Shri Pawan Kumar Gupta**  
Chairman & Managing Director



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



**Shri Rajendra Chaudhari**  
Director (Commercial)  
(upto June 09, 2021)



**Shri Neelesh Shah**  
Director (Projects)  
(upto May 31, 2021)



**Shri Kamran Rizvi**  
Govt. Nominee Director



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



**Dr. Jyoti Kiran Shukla**  
Independent Director

 **DIRECTORS' PROFILE** **SHRI PAWAN KUMAR GUPTA****Chairman & Managing Director**

Shri Pawan Kumar Gupta joined NBCC (India) Limited as the Chairman & Managing Director on October 07, 2019.

Shri Gupta holds a Bachelor's degree in Civil Engineering from NIT, Kurukshetra and Masters from IIT Delhi. Before taking over the charge of CMD, NBCC, he was Executive Director (Regional Projects) in RITES Limited, also a CPSE under the Ministry of Railways. He joined Indian Railway Service of Engineers in 1986 and has more than 35 years of civil engineering works experience, serving in Railways and its constituents in various capacities.

**SMT. B.K. SOKHEY****Director (Finance)**

Smt. Baldev Kaur Sokhey holds the B.Com (Honours) degree from the prestigious Shree Ram College of Commerce of Delhi University. She is also a Fellow Member of the Institute of Cost Accountants of India.

Smt. Sokhey has a rich experience of over three decades in the field of Finance, Accounting, Taxation, Investor Relations and IPO Management.

Presently, she is serving as Chairperson on the Board of NBCC Services Limited (NSL), and Director on the Board of Real Estate Development and Construction Corporation of Rajasthan Limited (REDCCOR) in addition to NBCC (India) Limited. Smt. Baldev Kaur Sokhey joined the Board of NBCC (India) Limited on August 16, 2019.

**SHRI KAMRAN RIZVI****Govt. Nominee Director**

Shri Rizvi is an Indian Administrative Service (IAS) officer of Uttar Pradesh cadre and joined the service in 1991. He did his B.Tech and M.Tech from IIT Delhi and subsequently joined Indian Civil Services. He has rich experience of around 30 years of service as Civil Servant, serving in various important capacities both to the State and the Central Government. In the State of Uttar Pradesh, he served important Ministries and departments in various capacities and held remarkable positions as Principal Secretary, Secretary, Development Commissioner, Commissioner, Director General, Chairman & Managing Director, Secretary to the Chief Minister etc. Subsequently, he joined the Ministry of Rural Development, and hugely contributed to the World's largest employment programme i.e. MGNREGA by using ICT and Innovation. Shri Rizvi, as Additional Secretary in the Ministry of Housing and Urban Affairs is presently looking after the matters pertaining to Delhi Region. He joined the Board of NBCC (India) Limited as Government Nominee Director on January 03, 2020.

**SHRI SHYAM SUNDER DUBEY****Govt. Nominee Director**

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

Shri Dubey has more than 31 years of rich, varied and multi-disciplinary experience in the field of accounts, internal audit, financial expenditure and control, budgeting, office administration, programme management and procurement in various Government Departments/Ministries. He is B.Sc. (Biology), M.Sc. (Psychology), M.Phil. (National Defence and Strategic Studies) and holds Post Graduate Diploma in International Business.

## DR. JYOTI KIRAN SHUKLA

### Independent Director

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





Vanija Bhawan



World Trade Centre, Nauroji Nagar, Delhi

(3D Perspective View)

## TEN YEARS AT A GLANCE

| S. No. | Particulars                                      | Sch VI of Companies Act, 1956 |          |  |
|--------|--|-------------------------------|----------|--|
|        |  | 2011-12                       | 2012-13  |  |
| i)     | Authorised Capital                               | 12,000                        | 12,000   |  |
| ii)    | Paid Up Capital                                  |                               |          |  |
|        | A) Paid up Capital Equity Shares                 | 12,000                        | 12,000   |  |
|        | B) Non -cumulative Preference Shares             | -                             | -        |  |
| iii)   | Reserves & Surplus                               | 67,549                        | 83,069   |  |
| iv)    | Borrowings:                                      | -                             |          |  |
|        | A) Govt. of India                                | -                             | -        |  |
|        | B) Banks & Others                                | -                             | -        |  |
|        | Total Borrowings                                 | -                             | -        |  |
| v)     | Net worth  | 79,549                        | 95,069   |  |
| vi)    | Net Fixed Assets                                 | 2,332                         | 2,433    |  |
| vii)   | Trade Receivables                                | 1,02,418                      | 91,171   |  |
| viii)  | No. of Regular Employees                         | 2,227                         | 2,217    |  |
| ix)    | Income per Employee                              | 161                           | 151      |  |
| x)     | Expenditure to Income (%)                        | 92                            | 91       |  |
| xi)    | Debt Equity (Net worth) Ratio                    | 0:1                           | 0:1      |  |
| xii)   | Income   |                               |          |  |
|        | A) Turnover                                      | 3,42,932                      | 3,18,682 |  |
|        | B) Other Operating Income                        | 1,837                         | 1,166    |  |
|        | C) Other Income                                  | 13,462                        | 14,897   |  |
|        | Total Income                                     | 3,58,230                      | 3,34,745 |  |
| xiii)  | Total Expenditure                                | 3,29,664                      | 3,03,914 |  |
| xiv)   | Operating Margin                                 | 29,918                        | 30,831   |  |
| xv)    | Depreciation                                     | 196                           | 135      |  |
| xvi)   | Interest   | 739                           | 532      |  |
| xvii)  | Profit before tax                                | 28,983                        | 30,164   |  |
| xviii) | Income Tax                                       | 10,285                        | 9,519    |  |
| xix)   | Fringe Benefit Tax                               |                               | -        |  |
| xx)    | Deferred Tax(Assets) / Liabilities               | (319)                         | (105)    |  |
| xxi)   | Profit after tax - For the year                  | 19,017                        | 20,750   |  |
| xxii)  | Dividend on Equity Shares incl. Distribution Tax | 4,881                         | 5,230    |  |

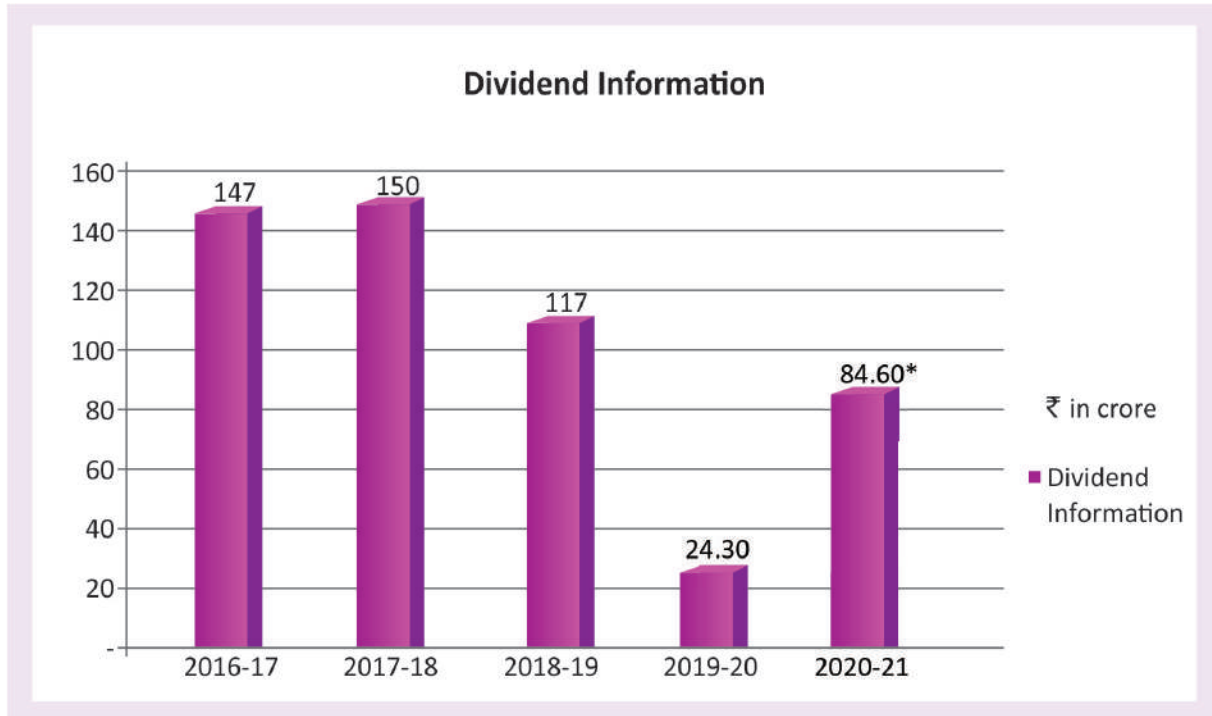
Note : All Figures are on Standalone Basis.

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

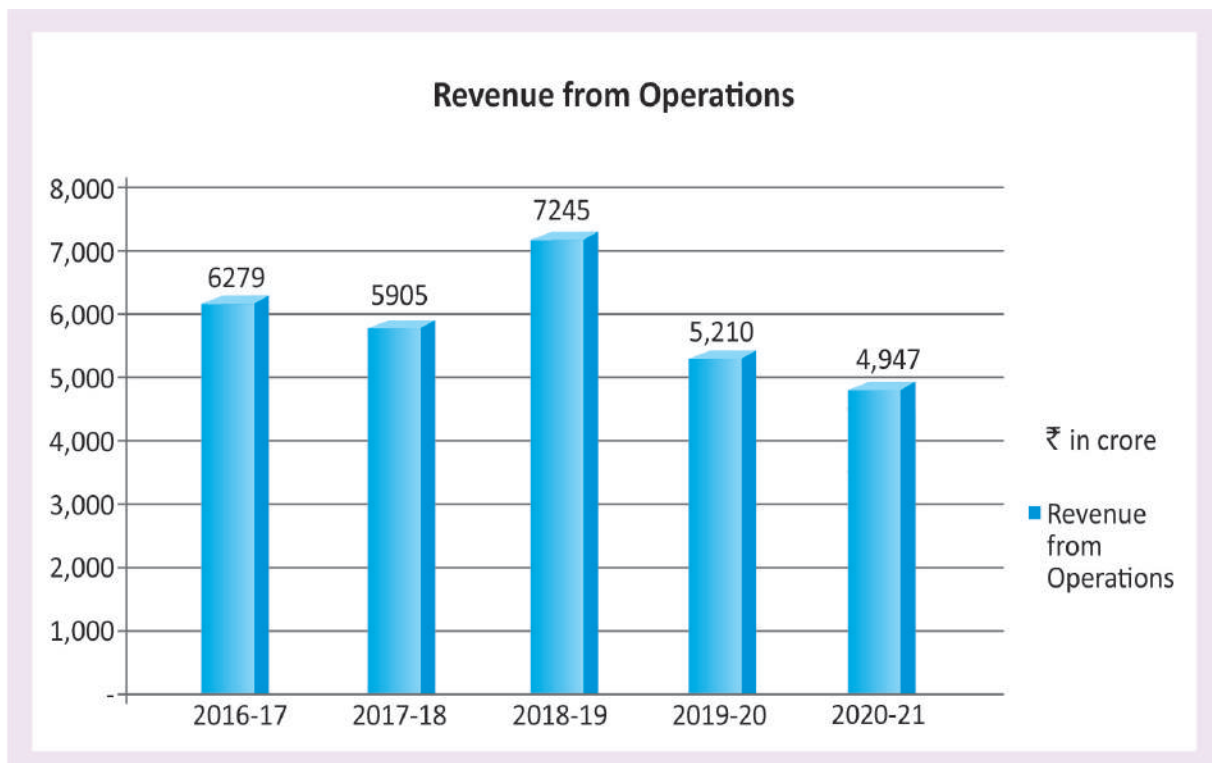
(₹ in lakh, except per Share Data, Number of Employees and Ratios)

| Revised Sch VI of Companies Act, 1956 |          | Sch III (Ind AS) of Companies Act, 2013 |          |          |          |          |          |          |
|---------------------------------------|----------|---|----------|----------|----------|----------|----------|----------|
|                                       | 2013-14  | 2014-15                                 | 2015-16* | 2016-17* | 2017-18* | 2018-19* | 2019-20* | 2020-21* |
|                                       | 12,000   | 12,000                                  | 15,000   | 20,000   | 20,000   | 20,000   | 20,000   | 20,000   |
|                                       | 12,000   | 12,000                                  | 12,000   | 18,000   | 18,000   | 18,000   | 18,000   | 18,000   |
|                                       | -        | -                                       | -        | -        | -        | -        | -        | -        |
|                                       | 1,00,729 | 1,20,413                                | 1,40,461 | 1,49,360 | 1,64,137 | 1,38,481 | 1,34,361 | 1,51,150 |
|                                       | -        | -                                       | -        | -        | -        | -        | -        | -        |
|                                       | -        | -                                       | -        | -        | -        | -        | -        | -        |
|                                       | -        | -                                       | -        | -        | -        | -        | -        | -        |
|                                       | 1,12,729 | 1,32,413                                | 1,52,461 | 1,67,360 | 1,82,137 | 1,56,481 | 1,52,361 | 1,69,150 |
|                                       | 2,254    | 2,622                                   | 6,178    | 6,329    | 6,184    | 7,200    | 5,867    | 5,677    |
|                                       | 1,31,642 | 1,70,412                                | 1,83,510 | 2,18,661 | 2,25,846 | 2,10,764 | 1,36,470 | 1,63,854 |
|                                       | 2,149    | 2,047                                   | 1,997    | 1,944    | 1,945    | 1,847    | 1,699    | 1,496    |
|                                       | 194      | 222                                     | 296      | 328      | 309      | 402      | 321      | 342      |
|                                       | 91       | 90                                      | 93       | 92       | 92       | 92       | 96       | 95       |
|                                       | 0:1      | 0:1                                     | 0:1      | 0:1      | 0:1      | 0:1      | 0:1      | 0:1      |
|                                       | 4,00,877 | 4,62,100                                | 5,73,456 | 6,21,117 | 5,87,169 | 7,14,160 | 5,17,972 | 4,88,324 |
|                                       | 5,820    | 4,114                                   | 7,787    | 6,822    | 3,332    | 10,316   | 3,061    | 6,421    |
|                                       | 10,604   | 14,658                                  | 10,076   | 8,858    | 10,613   | 18,747   | 23,509   | 17,263   |
|                                       | 4,17,300 | 4,80,872                                | 5,91,319 | 6,36,796 | 6,01,114 | 7,43,223 | 5,44,543 | 5,12,008 |
|                                       | 3,81,576 | 4,37,513                                | 5,50,546 | 5,87,698 | 5,50,560 | 6,87,052 | 5,20,415 | 4,87,563 |
|                                       | 35,724   | 43,359                                  | 40,773   | 49,098   | 50,554   | 56,170   | 25,072   | 25,336   |
|                                       | 134      | 234                                     | 245      | 261      | 271      | 264      | 277      | 231      |
|                                       | 2,238    | 4,025                                   | 132      | 72       | 21       | 61       | 666      | 660      |
|                                       | 33,352   | 39,101                                  | 40,397   | 48,765   | 50,262   | 55,846   | 24,128   | 24,445   |
|                                       | 10,027   | 10,986                                  | 13,974   | 14,810   | 18,508   | 19,153   | 16,142   | 4,270    |
|                                       | -        | -                                       | -        | -        | -        | -        | -        | -        |
|                                       | (1,389)  | 383                                     | (2,274)  | (1,154)  | (1,606)  | (1,718)  | 30,294   | 30,107   |
|                                       | 24,714   | 27,731                                  | 28,696   | 35,110   | 33,361   | 38,411   | 7,987    | 20,174   |
|                                       | 7,020    | 7,944                                   | 7,944    | 20,184   | 17,761   | 12,152   | 12,431   | 2,430    |

## FINANCIAL HIGHLIGHTS (Standalone)

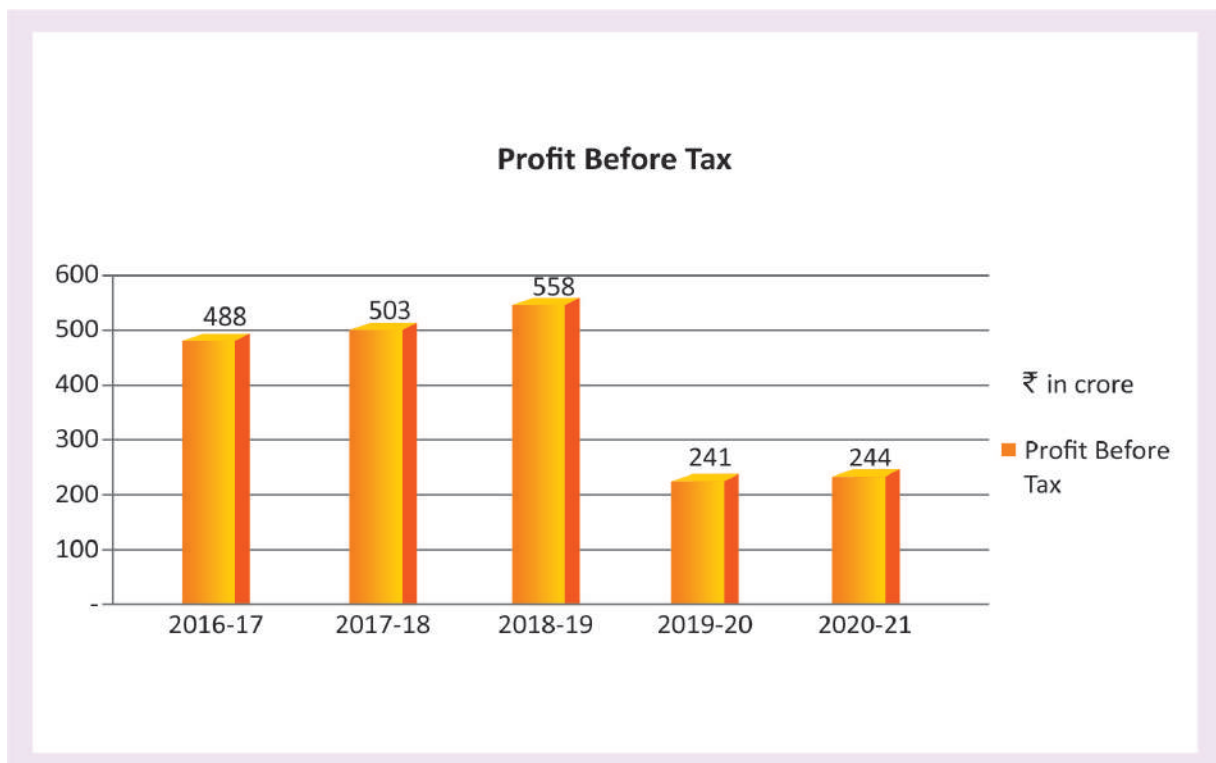
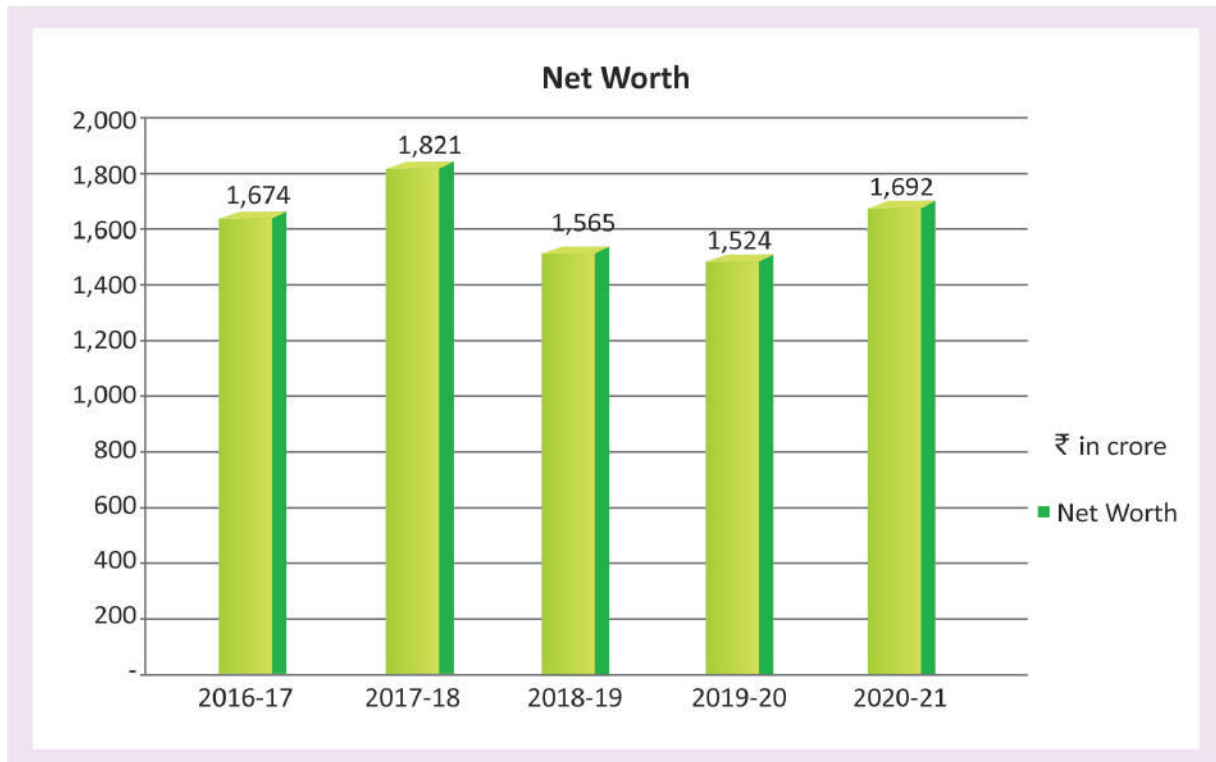


\* The Dividend for the FY 2020-21 is yet to be declared at the forth coming 61<sup>st</sup> AGM





## FINANCIAL HIGHLIGHTS (Standalone)



## MAJOR ACHIEVEMENTS UNDER CSR ACTIVITIES

CSR as a noble action is coherently referred in Mahabharat. In the battle field while getting mentored and coached by Krishna, Arjun asked, what is Yagyan the ritual offering? Krishna said there are four types of ritual offerings (Yagyans). First is dravya Yagyan. When you use your wealth for the welfare of the society you fulfill this yagyan. Hence an organization or an individual need to spend a part of its earning for the society. This is giving back to the society. With this spirit NBCC is committed to nation building and contributing to the society that will sustain its growth. It works with communities near its operation to implement a range of programs that can positively impact their lives. Taking a holistic approach, our teams participate throughout a project's lifeline and contribute in areas such as health, education, nutrition, infrastructure development and local employment.

This section provides information on our corporate social responsibility performance in 2020-21.

### CONTRIBUTING TO THE CAUSE OF HEALTH

Health is a state of complete physical, mental and social well-being and it plays a critical role in well-being of society. NBCC closely works in promoting good health of the Society at large.

- **Proposal for funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO)**

NBCC with its commitment for providing equality to all individuals in society has signed a Bipartite MoU with ALIMCO for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) to 15 children from Aspirational Districts. With this implant a deaf and dumb child will be able to hear and speak like normal children.



MoU signing ceremony for FY 2020-21 between NBCC and ALIMCO in the presence of Sh. Pawan Kumar Gupta, CMD, NBCC and Sh. Ajay Choudhary, DGM-CSR, ALIMCO along with senior officials from NBCC & ALIMCO.



- **Contribution towards COVID-19 Vaccination Program at Leh**

In the wake of unprecedented health emergency situation caused by the outbreak of pandemic COVID-19, which has disrupted normal life / activities. As directed by Department of Public Enterprise NBCC has contributed in procuring 46No.Ice lined Refrigerator (ILR), Deep Freezer (DF) and 2 No. Insulated Vaccine Van for COVID-19 vaccination program at Leh. NBCC contributed ₹ 90 Lakh towards the COVID-19 vaccination program at Leh.





- **Contribution towards electricity charges COVID-19 quarantine centre, NBCC Square, Rajarhat, Newtown, Kolkata**

Pursuant to the efforts of the Govt. to contain the recent outbreak of COVID-19, NBCC Square Rajarhat Newtown Kolkata, was converted and utilized as a quarantine center by the Govt. of West Bengal and during the said quarantine period, electricity charges was paid and borne by NBCC CSR Division.



## CONTRIBUTING TO PM CARES FUND

- **Contribution to the Prime Minister CARES Fund in wake of COVID-19**

We all are aware, our country is facing an unprecedented health emergency situation caused by the outbreak of COVID-19, which has been declared a pandemic by WHO. COVID-19 has already disrupted the normal life of citizens and has the potential to cause heavy casualties, if proper steps are not taken to contain its spread. There have been a number of deaths and many of our fellow citizens have already tested positive for COVID-19 across the length and breadth of the country and are presently under quarantine / isolation / treatment at home or in designated health care facilities. The Government of India as well as State Government have issued necessary instructions to control the spread of this deadly affliction. In this hour of adversity, it is our responsibility to provide support for strengthening the fight against COVID-19. We may also extend a helping hand to mitigate the unforeseen hardship brought about by COVID-19.

Accordingly, NBCC and its subsidiaries collectively contributed ₹ 604.00 Lakh towards Prime Minister CARES Fund.

## CONTRIBUTING TO A BETTER TOMORROW FOR ALL

The social investment programs of NBCC aim to improve the lives of people by providing them access to education, infrastructure facilities.

- **Construction Lab Space, Thaiyur Campus, IIT Madras**

IIT Madras is an Institute of National Importance and one of the premier Engineering Institutes of India drawing students from all over India and from various countries.

Construction of Lab space at Thaiyur Campus IIT Madras under NBCC (I) Ltd CSR initiative will provide better infrastructural platform for the students of IIT Madras who value rigorous analytical thinking, ingenuity, hands-on problem solving, and big new ideas.

Accordingly, a Bipartite MoU was signed between NBCC and IIT Madras.



MoU signing ceremony between NBCC and IIT Madras in the presence of Sh. Pawan Kumar Gupta, CMD, NBCC and Senior officials from NBCC & IIT Madras.





## CHAIRMAN'S COMMUNIQUE

*Dear Shareholders,*

It's my pleasure to welcome you all to the 61<sup>st</sup> Annual General Meeting of NBCC (India) Limited. The Annual Report for financial year ended March 31, 2021 along with the Directors' Report, Audited Annual Accounts and Auditor's Report of the Company are with you and, with your permission, I take them as read. Let me now share with you the performance of the Company during the year. I shall also update you on the strategic outlook and outline the road-map for the Company's future growth.

### **Economic and Industry overview**

The financial year 20-21 started for NBCC with lots of challenges due to spread of Covid-19 pandemic and the company being in the construction industry; the impact was very high. The company faced extreme shortage of labour at project sites due to which construction activities had to be suspended in almost all locations. The availability of materials was also scarce during 1st and 2nd quarter of the year due to restrictions on inter-state movement of trucks. The position started improving around Sept'20 and your company had adopted standard operating procedures duly incorporating social distancing, masks and sanitization measures. With the intervention of Government and following the unlock guidelines, work force have returned to the construction sites. The situation, has normalized to a large extent as on date.

### **Performance**

Total standalone income of the Company was Rs 5,120 crore during FY 20-21 and total consolidated income stood at Rs 7,012 crore. The net profit after tax for the FY 20-21 has shot upto Rs 201.74 crore with an increase of 151% from the previous year, inspite of pandemic conditions due to cost cutting measures adopted by company.

The present order book of NBCC is worth around Rs 60,000 crore approx. Some of major projects in progress are Redevelopment of Nauroji Nagar, Sarojini Nagar and Netaji Nagar, Amrapali Projects International Exhibition-cum- Convention Centre at Pragati Maidan New Delhi; IIT, Bhubaneswar; IIT Mandi; AIIMS Bilaspur; AIIMS Deoghar, IIM Vishakapatnam, IIM Sambalpur, IIM Ranchi etc. NBCC has sold 9 Lakh Sft Commercial builtup area in World Trade Centre of Nauroji Nagar in New Delhi with sales consideration of Rs 3692 crores. This will ease the cash flow for the ongoing re-development projects of MoHUA.

Despite the challenges posed by the pandemic, your company has successfully completed projects in every part of the country, be it the Redevelopment of East Kidwai Nagar, New Delhi; Super Speciality Hospital at Rourkela, Odisha (which was inaugurated by the Hon'ble President of India), Income Tax Building, Srinagar; Central Forensic Science Laboratory, Pune ; NATGRID Data



Centre Work at Delhi & Bangalore, , Brij Mohan School for Blinds, Meerut (U.P), Science & Technology Park, IIT Delhi; Cultural Centre at Dehradun etc .

Your company is actively involved in Indo Bangladesh border fencing in the States of Mizoram, Meghalaya and Tripura for MHA and the company recently completed and successfully handed over the Indo Pak Border fencing of around 61 km and 13 BOPs in Kutch of Gujarat.

Recently renovation work of the iconic Jallianwala Bagh, Amritsar was completed by your company and was inaugurated by Hon'ble Prime Minister of India in August 2021.

In Amrapali housing projects where NBCC is engaged as PMC by Hon'ble Supreme Court, 2 projects have been completed and 22 projects having 45957 units in Noida/ Gr. Noida are progressing fast. NBCC has so far completed 1500 units and another 1200 units are planned to be completed in next 6 months. In order to augment marketing and sale of unsold units/unused FAR under Amrapali Housing, your company is also engaging channel partners.

Your company is happy to inform that the SBICAP ventures Ltd has sanctioned a loan of Rs 650 crore, through SWAMIH fund, for 6 projects of Amrapali and 1st installment of Rs 125 crore has been already released. For remaining projects, Ld. Court Receiver/ Committee appointed by Hon'ble Supreme Court has invited banks for further funding of ₹ 1500 crore. A consortium of 6 public sector banks have in principle approved the financing of remaining projects. It is expected that NBCC will be able to complete all the projects by the year 2023.

आपको यह बताते हुए बहुत हर्ष हो रहा है कि एनबीसीसी (इंडिया) लिमिटेड को राजभाषा के क्षेत्र में उत्कृष्ट प्रदर्शन करने के लिए वर्ष 2020-21 के लिए महामहिम राष्ट्रपति महोदय द्वारा राजभाषा नीति के कार्यान्वयन के क्षेत्र में प्रदान किया जाने वाला प्रतिष्ठित राजभाषा कीर्ति पुरस्कार प्रदान किया गया है।

I am happy to inform that NBCC Services Ltd as well as HSCC and HSCL have performed well during the period 2020-21 and the services extended by the subsidiaries during the covid period have been appreciable.

## Other key developments

Your company secured orders worth Rs 3,389 Cr during FY 20-21 which includes Development of various land parcels for Delhi Transport Corporation (DTC) valuing Rs 1000 crore ; Additional work in NIT Patna Campus valuing Rs 500 crore; Natural Draught Cooling Tower ( NDCTs), Yadadari, Telangana valuing Rs 284 crore ; Development work for District Mineral Foundation at Jajpur & Angul in Odisha valuing Rs 405 crore ; Office building complex of Election Commission of India at Dwarka, New Delhi valuing Rs 150 crore, Construction of Hostels and Residences for IIT, BHU at Varanasi valuing Rs 147 crore among many other orders.

You will be happy to know that NBCC has completed the site preparatory work for installation of PSA Oxygen Plants at 14 locations on pan India basis under PM-CARES fund to cater to the oxygen requirement.

Your company has recently bagged the project of construction of permanent campus of National Institute of Technology Srinagar in Uttarakhand valuing Rs 596 crore ; various development work for OHPC in Odisha; additional work in HQ office building for CBSE at Dwarka valuing Rs 150 crore, Construction of IT Towers in Jammu and Kashmir valuing Rs 100 crore.

The company is consolidating its activities in the Redevelopment model where it has developed expertise and redevelopment of properties of RINL and Ministry of Defense in Visakhapatnam, A.P is under active discussion.

## Overseas operations

Your Company presently has its presence in Maldives, Mauritius and Dubai, where it is implementing various prestigious projects.

Your company has successfully completed New Supreme Court Building in Mauritius which was jointly inaugurated by Hon'ble Prime Ministers of India and Mauritius in July, 2020.

Your Company has also secured order for the construction of Police Headquarter (PHQ) in Seychelles (costing USD 13.9 million) and the construction of Attorney General's (AG) Office also in Seychelles (costing USD 13.38 million).

The Indian Pavilion at the World Expo in Dubai is in the final stage of completion and is likely to be opened for public in the month of October 2021.

## Going Green, Sustainability

Your Company has been at the forefront of adoption of sustainable development. Your Company is committed to ecological and environmental standards in all its materials, processes and projects.

All new projects undertaken by the Company are conceptualized with the Bureau of Energy Efficiency (BEE) and GRIHA norms. I would especially bring to your notice that NBCC has successfully completed the Redevelopment of East Kidwai Nagar project, which is a 'Zero Waste' Sustainable colony with 4,608 Type-II to Type-VII flats. During the construction period more than 20 Lakh bricks produced from the demolition waste were used in the project itself. The project exemplifies best

sustainable practices in every aspect of the construction activity. The GRIHA Rated project boasts of features like Rain Harvesting System, SWM, STP, solar power generation, LED fixtures, solar street lights, 76% open area and 47% lush green cover.

The current ongoing Re-development projects of Nauroji Nagar, Sarojini Nagar and Netaji Nagar are other projects where NBCC is bringing in all features of sustainable development with Zero Waste concept. Planned and designed for 3 star GRIHA rating, Energy saving measures such as Installation of Solar Panel & Optimal use of Solar Energy – for power and heating, LED/ Energy Efficient light fixtures, Roof insulation to prevent heat inflow into building, Use of DGUs in Office and commercial spaces, Integrated BMS to optimize energy consumption, Smart Parking Management System (RF controlled) are key features of these GPRA's for the Govt. officers.

## Social Commitments

In alignment with vision of the Company, NBCC, through its CSR initiatives, continues to enhance value creation in the society and in the community in which it operates, to promote sustained growth of the society at large in fulfillment of its role as a Socially Responsible Corporate.

NBCC and its subsidiaries have played an exemplary role in helping the government, communities and people at large to fight the pandemic. Collectively, NBCC and its subsidiaries contributed Rs 6.04 crore from CSR fund to the PM Cares Fund during the FY 20-21. You will be glad to know that our employees also contributed one day salary to the PM Cares Fund.

Your Company has contributed Rs 90 lakh towards COVID-19 vaccination program under CSR at Leh for procurement of 46 Ice lined Refrigerators, Deep Freezer and 2 Insulated Vaccine Van.

Along with above, your company has organized vaccination camps in Corporate Office, New Delhi for its employees and dependents.

Your company had taken steps to help employees and their dependents by setting up a " Covid Response Team" in Delhi when the pandemic was at its peak. A number of lives could be saved by timely hospital admissions secured for the employees & staff with the untiring efforts of Covid Response Team. An level-1 Isolation Centre with oxygen support was also arranged in Indian Aviation Academy of Airport Authority of India in Vasant Kunj, New Delhi by company as a standby arrangement to provide immediate relief to people having breathing issues after being tested Covid positive.

Your company also adopted 'Work From Home' and flexi office hours during pandemic period to contain spread of covid-19 as per directions of GOI.

The company witnessed huge organizational loss due to untimely demise of some of our officers & staff during the recent 1st and 2nd wave of Covid-19 pandemic. As a welfare measure for dependent family members of the officers; your company has introduced ' NBCC Family Financial Assistance Scheme for Deceased Employee's Family'.

Under the CSR initiative, NBCC has signed a Bipartite MoU with ALIMCO for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) from Aspirational Districts. With this implant, a deaf and dumb child will be able to hear and speak like normal children.

## Skill Development

The Hon'ble Prime Minister of India initiated the Skill India Mission to ensure skill building through structured training in job-oriented program. To make this mission of Government of India a grand success, NBCC has also participated actively in this initiative. As a part of this endeavor, more than 2,800 workers in 39 different trades in 24 sites in Delhi, UP, HP, Chhattisgarh, West Bengal, Goa, Odisha and Uttarakhand have been trained and certified as skilled.

## Opportunities & Outlook

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

A key area where the Company has already made significant and worthwhile contribution is in executing stalled projects of realtors. Completing these stalled projects will go a long-way in delivering homes to buyers as well as ensure crucial support for the real estate sector, besides establishing the Company as a leading player in the real estate space.

Capitalizing on new market opportunities by strengthening its core competencies, pursuing high-value projects in domestic and overseas markets and diversifying into new areas of operation, NBCC is poised to achieve enviable heights in the near future.

At NBCC, we always believe that people are our most valuable resources. Our talent pool comprises of some of the best talent across engineering, construction, architecture, project management and other faculties. The Company has a strong value system that encourages honesty, merit and best practices. Its people-centric policies are amongst the best in the industry and not surprisingly, the Company has one of the lowest attrition rates. In July 2019 and again in November 2020, NBCC has been certified as a “Great Place to Work” by Great Place to Work Institute, India.

NBCC has been completing DPC proceedings in time every year. Further, training of 3308 man days was given under Company’s on-going Skill Development initiatives. The Company ensures and invests in continuous Training and Development to ensure that its employees are abreast with the latest skills and competencies. As on March 31, 2021, NBCC staff strength was 1496. NBCC has also generated indirect employment for approximately 45000-50000 people at project sites.

### Governance and Transparency

NBCC has always believed in strong corporate governance and transparency. The Company is committed to deliver responsible growth and ethical wealth creation that results in value for all stakeholders. The Company ensures total fairness and transparency in all its working and reporting matters, often going beyond statutory disclosure norms and making voluntary disclosures that enable a more clear and coherent understanding of its business and value creation.

### Looking Ahead

The pandemic has impacted the progress of projects. However, reduction in interest rates, credit-linked subsidies, and reduction in taxes and duties are likely to support the real estate and construction sector.

Each crisis presents its share of challenges and your company has surpassed the crisis period and is back to normal business for brighter tomorrow.

Over the 61 years of its journey, your Company prudently invested in strengthening its foundations. With our resilient ecosystem, the commitment of our staff, the guidance of the Ministry of Housing and Urban Affairs, and the support of all our stakeholders, I am confident that we will emerge all the more stronger from our experience and consolidate our role in building a New India.

### Acknowledgement

The company is grateful for the continued support and co-operation received from Ministry of Housing and Urban Affairs, Ministry of Finance, Department of Public Enterprises, Securities and Exchange Board of India, Ministry of Corporate Affairs and other agencies of Central and State Government which has enabled us to tread the path of consistent growth in spite of various business challenges.

I wish to express my regard and appreciation to my colleagues on the Board and all the employees for their invaluable contribution in strengthening the Company. I convey my sincere thanks to the investors and shareholders for their sustained support to the Company.

I would also like to pay gratitude to the frontline health workers, sanitation workers, law enforcement agencies and other essential service providers who had worked tirelessly during this difficult period; I would also like to pay my homage to the employees and their family members who lost their lives during the pandemic.

Yours faithfully,

Sd/-  
**Pawan Kumar Gupta**  
Chairman & Managing Director

## Notice

Notice is hereby given that the **61<sup>st</sup> Annual General Meeting of the members of NBCC (India) Limited** will be held on **Thursday, September 30, 2021 at 2:00 PM** (IST) at NBCC Bhawan, Lodhi Road, New Delhi 110003 through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the audited standalone and consolidated financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of ₹ 0.47/- ( i.e. 47%) per fully paid up equity Share of ₹ 1/- each for the financial year ended March 31, 2021.
3. To appoint a Director in place of Smt. Baldev Kaur Sokhey (DIN: 06955670), who retires by rotation and being eligible, offers herself for re-appointment.
4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the FY 2021-22 to be appointed by the Comptroller and Auditors General of India.

### SPECIAL BUSINESS

5. To ratify the remuneration of the Cost Auditor for the FY 2021-22 and to consider and if thought fit, to pass with or without modifications(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of ₹ 1,00,000/- plus taxes to M/s Chandra Wadhwa & Co., Cost Accountants,(Firm registration no. 000239) appointed by the Board of Directors as Cost Auditor to conduct the cost audit of the Company for the financial year ending March 31, 2022.”

By order of the Board of Directors

Sd/-

**Deepthi Gambhir**

Company Secretary

F-4984

Place: New Delhi

Date : September 7, 2021

## NOTES

1. The Explanatory Statement pursuant to the provisions of the Section 102 (1) of the Companies Act, 2013 relating to the Special Business as set out at item nos. 5 to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the Covid -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
3. As the physical attendance of members at the 61<sup>st</sup> AGM is not required, hence members are requested to attend and participate the meeting through VC/OAVM. Further, the facility of appointment of proxies by members has also been dispensed with. Accordingly, in view of the above proxy form and attendance slip has not annexed to the notice.

However, pursuant to Section 112 and Section 113 of the Companies Act, 2013, the President of India, Body Corporate(s) may appoint their representative to attend and participate at the Annual General Meeting through the VC/OAVM facility and to cast their votes through e-voting.

4. Electronic copy of the Annual Report for the financial year 2020-21 along with copy of the notice of 61<sup>st</sup> Annual General Meeting inter-alia indicating the process and manner of remote e-voting, instructions for members for e-voting on the day of the AGM, instructions for members for attending the AGM through VC/OAVM are being sent to all the members whose email addresses are registered with their Depository Participant(s) and M/s Bigshare Services Pvt. Ltd., the Registrar & Transfer Agents (RTA) for communication purposes.

Members who have not registered their email addresses or if there is any change in their email address are requested to immediately notify their email address/ change in their email address to their Depository Participant in case the shares are held in dematerialized form and to the RTA, in case the shares are held in physical form by providing necessary details.

To support the ‘Green Initiatives’, the members who have not registered their email address are requested to register the same with the Company’s RTA/ DP for receiving all communication including Audited Financial Statements, Notices, Circulars, etc., from the Company electronically.

5. Members attending the meeting through VC/ OAVM may note that:
  - a) The facility for joining the meeting shall be kept open at least 15 minutes before and after the scheduled time of commencement/start of meeting by following the procedure as mentioned in the notice of the meeting;
  - b) Attendance of the members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013;
  - c) The facility of participation at the Annual General Meeting through VC/OAVM will be made available for at least 1000 members on a first-come-first served basis. The large shareholders, i.e., shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., are allowed to attend the meeting without restriction on account of first-come-first served principle;

- d) Members who would like to ask questions during the AGM, may send their questions or may register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number and mobile number to **investor.agm@nbccindia.com**, not later than **5:00 p.m., Thursday, September 23, 2021**. The Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM;

Further, the members desirous of seeking any information/ clarification on any item(s) of business to be transacted at the meeting are requested to send their queries at **investor.agm@nbccindia.com** by **Thursday, September 23, 2021**, so that the information required/ clarification sought can be made readily available at the time of Annual General Meeting; and

- e) Only those members, who are present at the AGM through VC/OAVM and have not casted their vote on resolutions through remote e-voting and are otherwise not barred from doing so, would be allowed to vote through e-voting system on proposed resolutions.

6. The Board of Directors in its meeting held on June 29, 2021 recommended a final dividend of ₹ 0.47/- (i.e. 47 %) per fully paid-up equity share of face value ₹ 1/- each for the financial year ended March 31, 2021. The dividend, subject to the provisions of Section 123 of the Companies Act, 2013, if declared at the Annual General Meeting, would be paid within 30 days of the Annual General Meeting to the eligible shareholders as on the Record Date i.e. **Thursday, September 23, 2021** as follows:

- a) whose names appear as beneficial owners on the Record Date to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic mode; and
- b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transmission/transposition in physical form lodged with the Company on or before **Thursday, September 23, 2021** (closing of business hours).

7. Members may further note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020, relevant Circulars and amendments thereof, if any. Further, in order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

- a. For resident shareholders, taxes shall be deducted at source under Section 194 and other applicable sections of the IT Act as per applicable rates.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed ₹ 5,000/- or any other amount notified by the Government of India and also in cases where members provide Form 15G/ Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

- b. For non-resident shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The TDS shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the valid PAN card allotted by the Indian Income Tax authorities duly attested by the member.
- Copy of Tax Residency Certificate (TRC) for the FY 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member.

- Self-declaration in prescribed Form 10F.
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or any other rate notified by the Government of India.

The aforementioned documents are required to be submitted by shareholders at **dividend.tax@nbccindia.com only, on or before September 28, 2021**. We request you to visit [www.nbccindia.com](http://www.nbccindia.com) for more instructions and information in this regard.

No communication on tax determination/ deduction shall be entertained after September 28, 2021. Shareholders are requested to note that in case their PAN is not registered/updated by September 28, 2021 till 5.00 P.M. (IST) tax will be deducted at 20% or applicable rate, whichever is higher or in any other manner notified by the Government of India.

8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrar & Transfer Agent i.e. M/s Bigshare Services Pvt. Ltd.

As per MCA Circular No 20/2020 dated May 05, 2020, payment of dividend shall be made through electronic mode only. In the case of non-availability of bank details, the Company shall upon normalization of postal service, dispatch the dividend warrant or Demand Draft to such shareholders by post, which might get delayed in certain areas. Accordingly, all the shareholders, whose bank details are not updated or receiving dividend in physical mode, are requested to update their bank details to receive dividend through electronic mode.

9. Details of Director seeking appointment or re-appointment as required to be provided pursuant to the provisions of (i) Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and (ii) para 1.2.5 of the Secretarial Standard on General Meetings (SS-2), issued by The Institute of Company Secretaries of India, is enclosed as Annexure-A to the Notice of AGM and also given under the 'Corporate Governance Report' in Annual Report .
10. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/ re-appointed by the Comptroller and Auditor General of India (CAG) and in terms of Section 142 of the Companies Act, 2013, remuneration of the Statutory Auditors shall be fixed by the company in a General Meeting or in such manner as the company in a General Meeting may determine.

Accordingly, it is proposed that the members may authorize the Board of Directors of the Company to fix the remuneration in addition to applicable taxes and reimbursement of actual traveling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.

11. Members are requested to note:
  - a) SEBI has made it mandatory for submission of Permanent Account Number (PAN) by every participant in securities market. Accordingly, members holding shares in electronic form are, therefore requested to submit PAN to their DP with whom they are maintaining their demat account. Members holding share in physical form are requested to submit their PAN to the RTA;
  - b) Non-Resident Indian shareholder(s) are requested to inform RTA, immediately in respect of change in their residential status on return to India for permanent settlement and particulars of their bank account maintained in India with complete name, branch, account type and number and address of the Bank with PIN Code, if not furnished earlier;

- c) In terms of the SEBI (LODR) Regulations, 2015, securities of listed companies can only be transferred in demat form w.e.f. April 1, 2019. In view of the above, Members are advised to dematerialize the shares held in physical form;
- d) Members holding more than one share certificate in the same name or joint names in same order but under different ledger folios, are requested to apply for consolidation of such folios and send the relevant share certificates to the Registrar and Transfer Agents to enable them to consolidate all such holdings into one folio. A consolidated share certificate will be issued after making requisite changes; and
- e) In terms of Section 72 of the Companies Act, 2013, Members, holding shares in physical form, may avail the facility of nomination by making nomination in Form No. SH-13 as prescribed in the Companies (Central Government's) General Rules and Forms, 2013. For cancellation or variation of Nomination, Form SH-14 can be used. The Form SH-13/ SH-14 duly filled in and completed in all respect is required to be submitted to the Registrar and Transfer Agents. Blank nomination form(s) are available on the company's website i.e. [www.nbccindia.com](http://www.nbccindia.com) In case of shares held in dematerialized form, the nomination/change of address has to be lodged with the respective Depository Participant (DP).
12. Annual Report and notice of the 61<sup>st</sup> Annual General Meeting will be available on the Company's website, i.e., <https://www.nbccindia.com> and websites of BSE Limited, National Stock Exchange of India Limited, Central Depository Services (India) Limited, the agency appointed for providing the remote e-voting facility and can be downloaded from there;
13. The Register of Directors, Key Managerial Personnel, their shareholding, Register of contracts or arrangements in which Directors are interested and other documents referred in the accompanying notice and explanatory statement thereto are available electronically for inspection by members, during the time of AGM;
14. M/s Bigshare Services Private Limited are acting as the Registrar and Transfer Agents (RTA) for carrying out the Company's entire share related activities, i.e., transmission/ transposition/ dematerialization/ rematerialization/ split/ consolidation of shares, change of address, bank mandate, filing of nomination, dividend payment and allied activities, etc.
- Members are requested to make all future correspondence related to share and allied activities, etc., with RTA at the following address:
- Bigshare Services Pvt. Ltd.  
302, Kushal Bazar,  
32-33, Nehru Place New Delhi, India. 110019  
Tel: +91-011-47565852/42425004  
Contact Person: Mr. Kailash Madan/ Mr. Mukesh  
Tel: +91-22-62638200  
E-mail: [tds@bigshareonline.com](mailto:tds@bigshareonline.com)
15. The information regarding unclaimed dividends in respect of dividends declared up to the financial year 2019-20 and updated upto March 31, 2021 has been uploaded on the website of the Company [www.nbccindia.com](http://www.nbccindia.com) under 'Investor' section. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2013-14 and thereafter to IEPF are as follows:

| Financial Year | Face value of Share (In ₹) | Dividend Declared      | Declaration date   | Due date for transfer to IEPF |
|----------------|----------------------------|------------------------|--------------------|-------------------------------|
| 2013-14        | 10                         | ₹ 5.00 @ 50% (Final)   | September 14, 2014 | October 20, 2021              |
| 2014-15        | 10                         | ₹ 5.50 @ 55% (Final)   | September 16, 2015 | October 22, 2022              |
| 2015-16        | 2                          | ₹ 2.00 @ 100% (Final)  | September 14, 2016 | October 20, 2023              |
| 2016-17        | 2                          | ₹ 0.53@26.5% (Interim) | March 29, 2017     | May 4, 2024                   |
| 2016-17        | 2                          | ₹ 1.10 @55% (Final)    | September 18, 2017 | October 24, 2024              |
| 2017-18        | 2                          | ₹ 0.55@27.5% (Interim) | March 8, 2018      | April 13, 2025                |
| 2017-18        | 1                          | ₹ 0.56@56% (Final)     | September 14, 2018 | October 20, 2025              |
| 2018-19        | 1                          | ₹ 0.65@65% (Final)     | September 23, 2019 | October 29, 2026              |
| 2019-20        | 1                          | ₹ 0.135@13.5% (Final)  | December 22, 2020  | January 27, 2027              |



Further, pursuant to the requirement of section 124(6) of the Companies Act, 2013 and Rule 6(3)(a) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend have not been paid or claimed for seven consecutive years or more shall be transferred to IEPF. In this regard, the Company has completed the posting of specific communications to the concerned shareholders whose dividend has not been paid or claimed for seven consecutive years, at their latest available addresses.

In view of the above, unclaimed final dividend for the financial year 2013-14 is due to be transferred to the Investor Education and Protection Fund of the Central Government on or after October 20, 2021, pursuant to the provisions of Section 124 of the Companies Act, 2013. Further, corresponding shares on which dividend has not been paid or claimed for 7 (seven) consecutive years were also be required to transfer to the account of IEPF. Accordingly, the unclaimed/unpaid final dividend amounts for the financial year 2013-14 would be transferred on or after October 20, 2021.

Members are advised to visit the website of the company i.e. [www.nbccindia.com](http://www.nbccindia.com) for detailed information and claim their dividend.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No.IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

16. Process and manner:

**A. AGM through VC/OAVM:**

1. Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members, the facility to exercise their right to vote on resolutions proposed to be considered at the 61<sup>st</sup> Annual General Meeting by electronic means, to be held on Thursday, September 30, 2021 at 2:00 PM through the Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to approx. 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the AGM, without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com). The Notice can also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., [www.evotingindia.com](http://www.evotingindia.com).
5. Mr. PC Jain, Company Secretary (Membership No. FCS: 4103) Managing Partner M/s. PC Jain & Co., Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the AGM venue e-voting and remote e-voting process in a fair and transparent manner.

## B. Instructions for shareholders attending the AGM through VC/OAVM are as under:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

## C. Instructions for shareholders for remote e-voting are as under:

- i. The voting period would **begin on Monday, September 27, 2021 (9:00 a.m. IST) and end on Wednesday, September 29, 2021 (5:00 p.m. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date, i.e., Thursday, September 23, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The remote e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com) Please read the instructions printed below before exercising your vote.

### Steps of Remote E-voting:

In order to increase the efficiency of the voting process and in pursuance of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December, 2020, e-Voting facility is being provided to all the Demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/Depository Participants (DPs). Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Further, Shareholders are advised to update their mobile number and e-mail-id with their DPs in order to access e-Voting facility.

### A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode with CDSL/NSDL:

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/</li> </ol> |

|   |  |
|---|--|
|   | <p>NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a></p> <p>The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>   |
| <p>Individual Shareholders holding securities in demat mode with NSDL</p>                                     | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholder/Member" section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>  |

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.  |

**B. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form

PAN Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

**Dividend Bank Details**

OR Date of Birth (DOB) Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

- If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

- iv. After entering these details appropriately, click on “SUBMIT” tab.
- v. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- vii. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- viii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- ix. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- x. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiii. If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- xiv. Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**D. Process for those shareholders whose email addresses are not registered with the Depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of valid PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

**E. Instructions for shareholders for e-voting during the AGM are as under:**

1. The procedure for e-voting on the day of the AGM is same as per the instructions mentioned above for remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed aftersuccessful login as per the instructions mentioned above for Remote e-voting.
3. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

4. If any votes cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### F. Note for Non - Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI, etc.,) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate's module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk at [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter, etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. [investor.agm@nbccindia.com](mailto:investor.agm@nbccindia.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
- All grievances connected with the facility for voting by electronic means may be addressed to *Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013* or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on **022-23058542/43**.

#### 17. OTHER INFORMATION:

- i. Members may also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, September 23, 2021.
- iii. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e., on Thursday, September 23, 2021 may follow the process as stated above.
- iv. Mr. PC Jain, Company Secretary (Membership No. FCS: 4103) Managing Partner M/s. PC Jain & Co., Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the venue voting and remote e-voting process in a fair and transparent manner.
- v. The Chairman, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of e-voting for all those members who are present at the AGM through VC/OAVM but have not casted their votes by availing the remote e-voting facility.

- vi. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at venue voting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vii. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.nbccindia.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- viii. The resolutions listed in the Notice of the 61<sup>st</sup> AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

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

##### **ITEM NO. 5: To ratify the remuneration of the Cost Auditor for the FY 2021-22**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Chandra Wadhawa & Co. (Firm Registration No. 000239) as cost auditors to conduct the audit of the cost records for the Financial Year ending March 31, 2022 at a remuneration of ₹ 1,00,000/- plus taxes.

Accordingly pursuant to Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, consent of the members is sought for ratification of remuneration payable to Cost Auditors for the FY 2021-22.

None of the Directors, Key Managerial Personnel (KMP) and their relative are in any way, concerned or interested, in the proposed resolution. The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

By order of the Board of Directors

Sd/-

**Deepti Gambhir**

Company Secretary

(FCS : 4984)

Place: New Delhi

Dated: September 7, 2021

Registered Office:

NBCC Bhawan, Lodhi Road, New Delhi-110003

CIN: L74899DL1960GOI003335

E-mail: co.sectt@nbccindia.com Website: www.nbccindia.com

Contact: 011-24367314-18

Fax : 91-11-24366995

## BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT 61<sup>st</sup> ANNUAL GENERAL MEETING

| Name  | Smt. Baldev Kaur Sokhey (DIN : 06955670)   |
|---|--|
| Date of Birth   | June 3, 1964   |
| Qualifications  | B.Com, CMA   |
| Date of first appointment at the Board                              | August 16, 2019  |
| Experience  | 31 Years (Approx.)   |
| Terms and Conditions of Appointment                                 | As per the terms and conditions determined by the President of India from time to time   |
| Remuneration sought to be paid and the                              | ₹ 58.56 lakh paid during FY 2020-21  |
| No. of shares held in NBCC  | 5,004 equity shares  |
| Relationship with Other Directors and KMP                           | No inter se related to any Director of the Company   |
| Number of meetings of the Board attended during the FY2020-21       | 7 (seven) out of 7 (seven) held during her tenure  |
| Expertise in Specific functional area                               | <p>Smt. Baldev Kaur Sokhey (57 years) holds the B.Com (Honours) degree from the prestigious Shree Ram College of Commerce of Delhi University. She is also a Fellow Member of Institute of Cost Accountants of India.</p> <p>Smt. Sokhey has a rich experience of over three decades in the field of Finance, Accounting, Taxation and Investor Relations and IPO Management.</p> <p>Presently, she is serving as Chairperson on the Board of NBCC Services Limited (NSL), and Director on the Board of Real Estate Development Corporation of Rajasthan Limited (REDCCOR) in addition to NBCC (India) Limited. Smt. Baldev Kaur Sokhey joined the Board of NBCC (India) Limited on August 16, 2019.</p> |
| Directorship held in other companies                                | <ol style="list-style-type: none"> <li>1. Real Estate Development &amp; Construction Corporation of Rajasthan Limited</li> <li>2. NBCC Services Limited</li> </ol>   |
| Memberships/Chairmanship of Committees of NBCC and other Companies* | 1  |

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





## DIRECTORS' REPORT

### Dear Shareholders,

On behalf of the Board of Directors, the achievements and highlights of your Company during the financial year ended March 31, 2021 and 61<sup>st</sup> Annual Report are hereby presented on the business and operations of NBCC (India) Limited and its Audited Financial Statements with the Auditors' Report and Comments on the Accounts by the Comptroller and Auditor General (CAG) of India.

### Financial Highlights

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

(₹ in crore)

| REVENUE  | FY 2020-21     |                | FY 2019-20      |                |
|--|----------------|----------------|-----------------|----------------|
|  | Consolidated   | Standalone     | Consolidated    | Standalone     |
| Value of Service   | 6739.94        | 4883.24        | 8027.50         | 5,179.72       |
| Other Operating Revenue  | 92.13          | 64.21          | 59.57           | 30.61          |
| Other Income   | 180.29         | 172.63         | 205.93          | 235.10         |
| <b>Total Revenue (A)</b>   | <b>7012.36</b> | <b>5120.08</b> | <b>8,293.00</b> | <b>5445.43</b> |
| <b>EXPENDITURE</b>   |                |                |                 |                |
| Land Cost & Material Consumed  | 1.32           | 1.32           | 8.21            | 8.15           |
| Change in inventories of Real Estate Projects  | 36.80          | 48.11          | 46.36           | 46.36          |
| Work & Consultancy Expenses  | 6227.20        | 4469.12        | 7413.45         | 4,742.80       |
| Employees Benefit Expenses   | 308.80         | 238.31         | 330.30          | 253.72         |
| Finance Cost   | 6.62           | 6.60           | 6.69            | 6.66           |
| Depreciation   | 5.57           | 2.31           | 6.50            | 2.77           |
| Other Expenses   | 113.37         | 88.11          | 179.32          | 139.67         |
| Write-offs   | 25.37          | 21.75          | 5.90            | 4.02           |
| <b>Total Expenses (B)</b>  | <b>6725.05</b> | <b>4875.63</b> | <b>7,996.73</b> | <b>5204.15</b> |
| Share of Profit/ (Loss) in Joint Ventures (Net of Tax)   | (0.20)         | -              | 0.86            | -              |
| Exceptional Items  | -              | -              | -               | -              |
| Profit Before Tax (PBT) (A-B)  | 287.11         | 244.45         | 297.13          | 241.28         |
| Tax Expense  |                |                |                 |                |
| i) Current Tax   | 63.83          | 60.63          | 77.23           | 63.79          |
| ii) Deferred Tax   | 7.32           | 1.83           | 126.55          | 97.62          |
| iii) Tax w.r.t. Earlier Years  | (20.28)        | (19.75)        | (6.52)          | -              |
| <b>Profit After Tax (PAT)</b>  | <b>236.24</b>  | <b>201.74</b>  | <b>99.87</b>    | <b>79.87</b>   |
| <b>Earning Per Share (Basic &amp; Diluted)</b> (Face value of Equity Shares is Rs 1/- per share) | <b>1.23</b>    | <b>1.12</b>    | <b>0.43</b>     | <b>0.44</b>    |

## Operations and Business Performance

For the FY 2020-21, total income from operations was ₹ 5,120.08 crore (standalone) and ₹ 7,012.36 crore (consolidated) whereas profit after tax was ₹ 201.74 crore (standalone) and ₹ 236.24 crore (consolidated).

## MoU Performance

NBCC is expected to achieve "Very Good" rating for the FY 2020-21.

## Reserves

The Company did not transfer any amounts to its general reserve during the financial year ended 31<sup>st</sup> March, 2021.

## Dividend

Your Directors have recommended a final dividend of ₹ 0.47/- per fully paid-up equity share of ₹ 1/- each (i.e. @47%) for the financial year 2020-21, subject to the approval of the members at the ensuing Annual General Meeting.

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

## Disinvestment by Government of India

There was not any disinvestment made by the Government of India (GOI) in the company during the FY 2020-21. The GOI's holding as on March 31, 2021 was 111,15,79,093 equity shares i.e. 61.75% of total paid up share capital of the Company.

## ISO Certification

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

## Awards Conferred During the Year 2020-21

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

- **Energy and Environment Foundation Global Award 2020:** NBCC won the prestigious "The Energy and Environment Foundation Global Award 2020" Award in Platinum Category for "Mahatama Gandhi International Conference Centre, Niamey, Niger", constructed by the company.
- **NSCI Safety Awards:** NBCC's project "Redevelopment of ITPO Complex into Integrated Exhibition-cum-Convention Centre (IECC), Pragati Maidan, New Delhi" has won the "Prashansa Patra (Certificate)" for demonstrating the outstanding performance in occupational safety and health by National Safety Council of India, Ministry of Labour & Employment.
- **ELETS National PSU Award 2020:** NBCC has been conferred the 5<sup>th</sup> National PSU Summit Award of Excellence for "Construction of Residential-cum-Training complex for Special Protection Group of Sector 21- Dwarka, New Delhi" under the category building Sustainable Infrastructure & Development. The project SPG complex - II, sector 21 Dwarka, New Delhi is certified by Indian green building council (IGBC) under platinum category in 2019.
- **"GREAT PLACE TO WORK" Recognition:** NBCC yet again wins the coveted status of "Great Place to Work". This is the second consecutive year when NBCC has received this celebrated and distinguished status. Every year, The Great Place to Work® Institute, a global benchmarking authority on workplace cultures after their extensive assessment on Quality of Employees Experience (Trust Index) and Cultural Audit of more than 10,000 organizations from over 60 countries certifies organizations as Great-Place-to-Work. This significant achievement of NBCC is a direct outcome of consistent efforts put in by its HRM team and management.

## Fixed Deposits

During the year under review, your Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2021.

## Loan, Guarantees and Investments

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

## Subsidiaries, Joint Ventures and Associate Companies

Subsidiaries: During the FY 2020-21, the Company has total eight (8) subsidiaries in which six(6) are wholly owned subsidiaries (100%) namely NBCC Services Limited, NBCC Engineering & Consultancy Limited, NBCC International Limited, NBCC Environment Engineering Limited, HSCC (India) Limited and NBCC DWC-LLC (a foreign subsidiary), one (1) subsidiary (51%) i.e. Hindustan Steelworks Construction Limited and one (1) foreign subsidiary namely NBCC Gulf LLC, Oman where NBCC is holding 70% equity.

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

The Board of Directors of NBCC and the Administrative Ministry i.e Ministry of Housing and Urban Affairs (MoHUA) has given their respective approvals to close down three wholly-owned subsidiary Companies of NBCC i.e. NBCC International Limited (NIL), NBCC Environment Engineering Limited (NEEL), NBCC Engineering & Consultancy Limited (NECL) and one foreign subsidiary i.e. NBCC Gulf LLC.

During the FY 2020-21, NBCC has filed application before Ministry of Corporate Affairs for merger of NBCC International Limited (NIL) and NBCC Environment Engineering Limited (NEEL) with holding company i.e. NBCC.

During the FY 2020-21, NBCC Engineering & Consultancy Limited has commenced its Voluntary Winding up and appointed Official Liquidator for the same.

During the FY 2020-21, NBCC Gulf LLC, Oman has commenced its Voluntary Winding up and finally liquidated on June 20, 2021.

The Company has formulated a policy on identification of material subsidiaries in line with Regulation 16(c) of the SEBI LODR Regulations and the same is placed on the website of the Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is provided in note to the consolidated financial statement.

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

## Company Response To Covid-19

During FY 2020-21, the COVID pandemic increased rapidly forcing Governments of most countries to enforce a lockdown of all activities. Leading to the various guidelines issued in India by the Central and State Governments and abroad by various agencies on the Covid-19 pandemic. Your Company immediately took several measures to ensure health and safety of its workers and other employees and thereafter, steps were taken to ensure business continuity of essential services and projects development.

## Human Resource Development

The strong, dedicated and resilient workforce of NBCC continued to perform their duties, despite challenges posed by Covid-19. The total number of employees as on March 31, 2021 were 1496. NBCC takes pride in its highly motivated and competent Human Resource that has contributed its best to bring the Company to present heights. Over all these years of Company's ascendancy, employees are the driving force behind the sustained stellar performance of your Company. As a commitment towards your Company's core values, employees' participation in Management was made effective based on mutual respect, trust and a feeling of being a progressive partner in growth and success.

The Company maintains cordial industrial relations with all Unions and Associations of the Company, and continued to provide comprehensive welfare facilities to its employees to take care of their health, efficiency, social well beings,

economic betterment, etc which motivate employees to perform with their best efforts at the workplace. HRM has always supported participative culture in the management decision making through a consultative approach which help in establishing harmonious relationship for higher productivity. Employees' participation is also ensured through information-sharing with on a regular basis which help employees share their suggestions and provide their support in various decision making.

The Company believes in holistic and meaningful employee engagement; and their development to catalyse the emergence of the highest potential of employees. The Company appreciates the role of its human capital in propelling the Company to new heights. During Covid-19 pandemic, the Employees from Human Resource Discipline were front runner to drive the initiatives taken by the organization. The Human Resource officers acted as Covid Warriors and were responsible for facilitating employees by providing the following:-

1. Arranging hospitalization, oxygen concentrators, medicines for employees and their dependents suffering with Covid 19 pandemic
2. Facilitating Covid Vaccination to employees and their dependants throughout the Company
3. Arranging and providing food packets to needy people amid COVID pandemic

The Human Resource Division acted as savior by providing appropriate measure as per Government of India guidelines and other essential assistance to employees of the company.

The position of recruitment of SC/ST employee's, category-wise for the year 2020-21 is as under:-

| Sl. No.      | Group     | General   | OBC       | EWS       | SC/ST     |             |           |              | Total     |
|--------------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|--------------|-----------|
|              |           |           |           |           | SC        | %(SC)       | ST        | %(ST)        |           |
| 1.           | Group 'A' | 04        | 03        | 01        | 01        | 9.09        | 02        | 18.18        | 11        |
| 2.           | Group 'B' | 00        | 00        | 00        | 00        | 00.0        | 00        | 0.0          | 00        |
| 3.           | Group 'C' | 00        | 00        | 00        | 00        | 00.0        | 00        | 0.0          | 00        |
| <b>Total</b> |           | <b>04</b> | <b>03</b> | <b>01</b> | <b>01</b> | <b>9.09</b> | <b>02</b> | <b>18.18</b> | <b>11</b> |

Directive issued by the Govt. of India from time to time for filling up of vacancies for SC/ST/OBC/Ex.-servicemen have been observed in the Company in true spirit.

Government instructions regarding reservation, relaxations, concessions & benefits as provided under rules for persons with disabilities (Equal Opportunities, Protection of Rights & full participations) Act, 1995 have been complied with.

### Details on SC, ST, OBC, PWD

The company complies with Government of INDIA Directives on all matters related to Reservation to SC, ST, OBC, PWD and EWS, in various recruitment activities and special drives proper care is taken for extension of benefit of reservation to the applicant.

In addition to above, The Company has constituted SC/ST, OBC, PWD Cell which headed by senior officer alongwith dedicated Liaison officer who ensure proper justice is meted out to employees belonging to reserve category. Further, in compliance to directives of Administrative Ministry, the company has also constituted Interval Grievance Rederessal Committee (IGRC) for employees belonging to Scheduled Castes.

To ensure harmonious relations, the company organize various meetings at regular intervals with SC/ST Employees Welfare Association of the company and concerns, grievances highlighted during meeting are resolved amicably.

Further, during FY 2020-21, the company had organized various recruitment drives to fill up the backlog vacancies, details of the same are as below

| S.No | Special Recruitment Drive for       | No of backlog vacancies |
|------|-------------------------------------|-------------------------|
| 1    | Addl. General Manager (Finance)     | 01-OBC (NCL)            |
| 2    | Dy. General Manager (Engg.) (Civil) | 02-ST                   |
| 3    | Project Manager (Civil)             | 01-PWD-HH               |
| 4    | Dy. Project Manager (Civil)         | 01-PWD-HH               |
| 5    | Sr. Project Executive (Electrical)  | 01-OBC (NCL) & 01-SC    |
| 6    | Assistant Manager (HRM)             | 01-ST                   |
| 7    | Sr. Stenographer                    | 01-OBC (NCL)            |
| 8    | Office Assistant (Stenographer)     | 03-OBC (NCL)            |

#### No. of Regular/NMR/PRW/WE Employees at the close of the year.

|                          |      |
|--------------------------|------|
| No. of regular employees | 1496 |
| No. of NMR               | 0    |
| No. of WE/PRW            | 0    |

#### Working Status of Woman Employees in the Company-Category wise, and SC/ST/VH/PH group-wise.

(i) Working status of Woman employees category-wise:

| Sl. No. | Category of Posts (Group) | Nos. of Woman employees |
|---------|---------------------------|-------------------------|
| 1       | Group 'A'                 | 89                      |
| 2       | Group 'B'                 | 15                      |
| 3       | Group 'C'                 | 17                      |
| 5       | Group 'D'                 | 0                       |
|         | <b>Total</b>              | <b>121</b>              |

(ii) Total Numbers. GroupWise SC/ST/VH/PH:

| Sl. No. | Category of Posts (Group) | Nos. of employees |            |           |            |          |          |           |
|---------|---------------------------|-------------------|------------|-----------|------------|----------|----------|-----------|
|         |                           | Total Employees   | SCs        | STs       | OBC        | VH       | HH       | PH (OPH)  |
| 1       | Group 'A'                 | 771               | 143        | 44        | 157        | 3        | 2        | 7         |
| 2       | Group 'B'                 | 141               | 18         | 11        | 38         | 1        | 0        | 1         |
| 3       | Group 'C'                 | 584               | 95         | 3         | 52         | 1        | 3        | 8         |
|         | <b>Total</b>              | <b>1496</b>       | <b>256</b> | <b>58</b> | <b>247</b> | <b>5</b> | <b>5</b> | <b>16</b> |

## Manpower Status as on March 31, 2021

| Discipline & Category Wise |  |  |            |                                |                                     |                |                   |                         |          |             |
|----------------------------|--|--|------------|--------------------------------|-------------------------------------|----------------|-------------------|-------------------------|----------|-------------|
| Category                   | Engineers<br>(C/E/M/<br>PHE/EM/<br>Arch./Sys.<br>Engg./<br>Plng. etc.) | Technical<br>(Other than<br>Engrs.) i.e.<br>DPM/SPE/<br>PE/ASM/<br>JSE/ JE-I/JE-<br>II/JE-III WI/<br>AWI | Finance    | HRM<br>(OA-I/II/<br>III/Sectl. | RB/Law/<br>Board/<br>CC/P &<br>PI). | Market-<br>ing | Material<br>Mgmt. | Oper-<br>ative<br>Level | Others   | Total       |
| BOARD LEVEL                | 3  | -  | 1          | -                              | -                                   | -              | -                 | -                       | -        | 4           |
| CVO                        | -  | -  | -          | -                              | -                                   | -              | -                 | -                       | 1        | 1           |
| 'A'                        | 501  | 13   | 142        | 78                             | 20                                  | 7              | 5                 | -                       | -        | 766         |
| 'B'                        | 110  | 12   | -          | 17                             | 1                                   | -              | 1                 | -                       | -        | 141         |
| C'(i)                      | 39   | -  | -          | 11                             | -                                   | -              | -                 | -                       | -        | 50          |
| (ii)                       | -  | 5  | -          | -                              | -                                   | -              | -                 | -                       | -        | 5           |
| (iii)                      | -  | -  | -          | -                              | -                                   | -              | -                 | 529                     | -        | 529         |
| <b>TOTAL</b>               | <b>653</b>   | <b>30</b>  | <b>143</b> | <b>106</b>                     | <b>21</b>                           | <b>7</b>       | <b>6</b>          | <b>529</b>              | <b>1</b> | <b>1496</b> |

## Number of persons employed during the year 2020-21:

| Sl. No.      | Group     | Nos. of persons employed |
|--------------|-----------|--------------------------|
| 1.           | Group 'A' | 11                       |
| 2.           | Group 'B' | 00                       |
| 3.           | Group 'C' | 00                       |
| <b>Total</b> |           | <b>11</b>                |

## TRAINING

Human Resource Development is the prime importance for any organization to achieve the organization's goal. Keeping in view the present innovative & challenging market, this division has arranged need based in-house and external training programs / technical workshops to make officials / employees aware of latest trends, techniques, and changes taking place in their respective fields and to enhance their knowledge so that they work with more potential and zeal to achieve the organizational goal.

Discipline-wise details of officials/employees imparted internal training during FY 2020-21 is as under:

| Sl. No. | Name of the Program   | Type of Training | Level of Officers nominated | Month | Number of Days | Number of Participants | Total Mandays |
|---------|---|------------------|-----------------------------|-------|----------------|------------------------|---------------|
| 1       | Work Manual / GCC/ Contract Engineering                     | Technical        | DGM to Jr. Engg. Level      | April | 0.5            | 24                     | 12            |
| 2       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 21                     | 10.5          |
| 3       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 18                     | 9             |
| 4       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 44                     | 22            |
| 5       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 41                     | 20.5          |
| 6       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 25                     | 12.5          |
| 7       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 25                     | 12.5          |
| 8       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 55                     | 27.5          |
| 9       | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 12                     | 6             |
| 10      | Bank Guarantees/ How to avoid repetitive audit observations | Technical        | DGM to Jr. Engg. Level      | April | 0.5            | 33                     | 16.5          |
| 11      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 55                     | 27.5          |
| 12      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 35                     | 17.5          |
| 13      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 66                     | 33            |
| 14      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 31                     | 15.5          |
| 15      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 20                     | 10            |
| 16      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 43                     | 21.5          |
| 17      | E-Office  | Functional       | DGM to Jr. Engg. Level      | April | 0.5            | 28                     | 14            |
| 18      | Finance for Non Finance                                     | Technical        | AGM to Jr. Engg. Level      | April | 0.5            | 28                     | 14            |
| 19      | Work Manual / GCC/ Contract Engineering                     | Technical        | AGM to Jr. Engg. Level      | April | 0.5            | 72                     | 36            |
| 20      | Code on Wages   | Functional       | AGM to Jr. Engg. Level      | April | 0.5            | 30                     | 15            |
| 21      | Work Manual / GCC/ Contract Engineering (Question / Answer) | Technical        | AGM to Jr. Engg. Level      | April | 0.5            | 53                     | 26.5          |
| 22      | Indian Legal System, Jurisdiction/CAT                       | Functional       | AGM to Jr. Engg. Level      | April | 0.5            | 24                     | 12            |
| 23      | Management  | Be-havioural     | AGM to Jr. Engg. Level      | April | 0.5            | 20                     | 10            |
| 24      | Service Rule  | Functional       | AGM to Jr. Engg. Level      | April | 0.5            | 21                     | 10.5          |
| 25      | Bank Guarantees/How to avoid repetitive audit observations  | Technical        | AGM to Jr. Engg. Level      | May   | 0.5            | 51                     | 25.5          |
| 26      | Work Manual / GCC/ Contract Engineering (Question / Answer) | Technical        | AGM to Jr. Engg. Level      | May   | 0.5            | 70                     | 35            |
| 27      | Prevention of Sexual harassment                             | Be-havioural     | AGM to Jr. Engg. Level      | May   | 0.5            | 20                     | 10            |
| 28      | Finance for Non Finance Officials                           | Technical        | AGM to Jr. Engg. Level      | May   | 0.5            | 42                     | 21            |
| 29      | Time management   | Be-havioural     | AGM to Jr. Engg. Level      | May   | 0.5            | 15                     | 7.5           |

| Sl. No. | Name of the Program   | Type of Training | Level of Officers nominated | Month     | Number of Days | Number of Participants | Total Mandays |
|---------|---|------------------|-----------------------------|-----------|----------------|------------------------|---------------|
| 30      | Preventive vigilance  | Functional       | AGM to Jr. Engg. Level      | May       | 0.5            | 17                     | 8.5           |
| 31      | E office  | Functional       | AGM to Jr. Engg. Level      | May       | 0.5            | 100                    | 50            |
| 32      | Art of Delegation   | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 15                     | 7.5           |
| 33      | Six Thinking Hats   | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 6                      | 3             |
| 34      | Johari Window   | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 8                      | 4             |
| 35      | Work Manual / GCC/ Contract Engineering (Question / Answer)                         | Technical        | AGM to Jr. Engg. Level      | May       | 0.5            | 65                     | 32.5          |
| 36      | Comparative Study of Content Theories of Motivation                                 | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 5                      | 2.5           |
| 37      | Management Lessons from Ramayana / Mahabharat                                       | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 8                      | 4             |
| 38      | Virtual session on "Force Majure in Infra structure Projects"                       | Technical        | ED to manager               | May       | 0.5            | 3                      | 1.5           |
| 39      | Transactional Analysis  | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 8                      | 4             |
| 40      | Management Lessons from Ramayana / Mahabharat                                       | Be-havioural     | AGM to Jr. Engg. Level      | May       | 0.5            | 7                      | 3.5           |
| 41      | Construction Project Management   | Technical        | AGM to Jr. Engg. Level      | May       | 1              | 88                     | 88            |
| 42      | Construction Project Management   | Technical        | AGM to Jr. Engg. Level      | May       | 1              | 123                    | 123           |
| 43      | Construction Project Management   | Technical        | AGM to Jr. Engg. Level      | May       | 1              | 117                    | 117           |
| 44      | Meditation for Healthy and Happy Life   | Be-havioural     | All                         | June      | 0.5            | 100                    | 50            |
| 45      | Contracts & Claim Management under COVID-19 Pandemic                                | Technical        | CGM to AGM                  | June      | 0.5            | 2                      | 1             |
| 46      | Orientation Program   | Orienta-tion     | AM                          | July      | 2              | 35                     | 70            |
| 47      | GRIHA Rating & Green Building (Batch-I)   | Technical        | GM to Jr. Engg. Level       | July      | 1              | 192                    | 192           |
| 48      | GRIHA Rating & Green Building (Batch-II)  | Technical        | GM to Jr. Engg. Level       | August    | 1              | 123                    | 123           |
| 49      | GRIHA Rating & Green Building (Batch-III)   | Technical        | GM to Jr. Engg. Level       | August    | 1              | 61                     | 61            |
| 50      | Concrete Technology, Material Testing and cracks, leakages and seepage" (Batch – 1) | Technical        | GM to Jr. Engg. Level       | August    | 2              | 80                     | 160           |
| 51      | Concrete Technology, Material Testing and cracks, leakages and seepage" (Batch – 2) | Technical        | GM to Jr. Engg. Level       | August    | 2              | 82                     | 164           |
| 52      | Concrete Technology, Material Testing and cracks, leakages and seepage" (Batch – 3) | Technical        | GM to Jr. Engg. Level       | September | 2              | 105                    | 210           |



| Sl. No.          | Name of the Program                                  | Type of Training | Level of Officers nominated | Month              | Number of Days | Number of Participants | Total Mandays |
|------------------|--|------------------|-----------------------------|--------------------|----------------|------------------------|---------------|
| 53               | POSH   | Be-havioural     | GM to Jr. Engg. Level       | October            | 0.5            | 93                     | 46.5          |
| 54               | Safety Training (Batch -I)                           | Functional       | AGM to Jr. Engg. Level      | November           | 2              | 48                     | 96            |
| 55               | Establishment Rules                                  | Functional       | DGM to Jr. Engg. Level      | November           | 4              | 2                      | 8             |
| 56               | Management Development Program                       | Be-havioural     | CGM to AGM                  | November           | 3              | 18                     | 54            |
| 57               | Safety Training (Batch -II)                          | Functional       | AGM to Jr. Engg. Level      | December           | 2              | 47                     | 94            |
| 58               | Right to Information                                 | Functional       | AGM to Jr. Engg. Level      | December           | 0.5            | 82                     | 41            |
| 59               | Management Development Program (Batch -II)           | Be-havioural     | CGM to AGM                  | December           | 3              | 25                     | 75            |
| 60               | SAP Training   | Functional       | AGM to Jr. Engg. Level      | January            | 20             | 20                     | 400           |
| 61               | Project Execution and Concrete Technology            | Technical        | GM to Jr. Engg. Level       | January            | 6              | 40                     | 240           |
| 62               | Induction Training (MT-F)                            | Orientation      | AM                          | January & February | 5              | 3                      | 15            |
| 63               | Reservation Policy                                   | Functional       | AGM to Jr. Engg. Level      | February           | 0.5            | 25                     | 12.5          |
| 64               | Departmental Enquiry                                 | Functional       | AGM to Jr. Engg. Level      | February           | 0.5            | 63                     | 31.5          |
| 65               | Project execution and concrete technology (Batch-II) | Technical        | GM to Jr. Engg. Level       | February           | 6              | 33                     | 198           |
| <b>TOTAL (A)</b> |  |                  |                             |                    | <b>88</b>      | <b>2883</b>            | <b>3308.5</b> |

Total 3308.50 mandays training (internal & external) were achieved for Group A & B employees during the FY 2020-21.

### Industrial Relations

Industrial Relations scenario in the Company during the FY 2020-21 had remained peaceful and conducive. No man days were lost in strike etc., since all the industrial disputes and difference were resolved amicably across the table. Cordial & harmonious relationship maintained with all stake holders/Unions/Association. Structured meeting held regularly on quarterly basis.

### Safeguard of Women at Workplace

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An internal committee has been set up to redress the complaints received regarding sexual harassment. The committee functions in accordance with the model code of conduct developed by National Commission for Woman, Ministry of Woman and Child Development. The Committee spread awareness amongst the employees regarding 'Zero Tolerance' for sexual harassment at work place.

The committee also investigates reported cases of sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has on its roll 121 women employees in various cadres at the project and office premises. There were NIL, cases filed during the financial year ended March 31, 2021.

### Management Discussion and Analysis Report

The Management Discussion and Analysis Report as provided under Regulation 34 read with Schedule V to the Listing Regulations with the stock exchanges forms part of this Report as Annexure - I.

## Directors' Responsibility Statement

### Your Directors confirm that:

- In the preparation of annual accounts for the financial year ended March 31, 2021, the applicable Indian Accounting Standards read along with proper explanation to material departures; have been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a going concern basis;
- The Directors had laid down internal financial controls to be followed by the Company and such internal controls are adequate and were operating effectively and;
- The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Corporate Governance Report

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

The requisite certificate from the Statutory Auditors of the Company, M/s Dhawan & Co., Chartered Accountants, confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Listing Regulations is attached to Corporate Governance Report. The Corporate Governance Report for the year ended March 31, 2021 forms part of this report as Annexure- II.

## Contracts and Arrangements with Related Parties

During the year under review, the Company had not entered into any contract/arrangement/transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transaction. The policy on materiality of related party transactions is available on the Company's website, at the link <https://nbccindia.com/webEnglish/policies>.

The related party contracts referred in section 188 of the Companies Act, 2013 in Form AOC-2 is enclosed as Annexure –III.

## Quality Assurance/Quality Control Manual

Quality Assurance (QA) and Quality Control (QC) both are part of Quality Management System (QMS) wherein QA focuses on preventing the defects while QC focusses on identifying a defect.

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

NBCC through its Technical/Quality audit division conducts the Technical/Quality audit of some selected projects on PAN India basis through a well designed and robust checklist so as to ensure the QA/QC is being followed at project sites.

Apart from carrying out the routine Audits, Special Audits of the certain projects are also carried out by the technical audit team as and when directed by the competent authority.

## International Organization for Standardization (ISO)

NBCC through its ISO-cell conducts the ISO Audit of all Project sites earmarked in ISO and all RBGs/SBGs/Zones/Units/HOD-HO at a interval of 6 (six) months and 1 (one) year respectively through a well developed checklist to ensure that the Quality Policy and Quality Objective established by the company in its QMS is being followed stringently.

### A) Quality Policy:

1. To keep on uplifting and maintaining the quality standards in providing Project Management Consultancy and Execution of Projects in order to sustain a high level of customer satisfaction by comprehensively meeting the stated need of the customers and proactively attending to their expectation.

2. To deliver projects in time and within cost with excellent quality and to become a trustworthy project management organization for esteemed customers.
3. To make quality an obsession and to carry commitments to comply with the applicable requirements and to continually improve the effectiveness of our Quality Management System.

#### **B) Quality Objectives:**

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

#### **Safety**

NBCC (I) Ltd. committed towards Safety and Health to all the employees who work in its areas of operation. The company is continuously striving to become a role model in implementing safe practices/measures to ensure the goal of achieving Zero harm at its work places.

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

- a) Bringing awareness about the Safety Policy of the Company to all RBGs/SBGs/Zones/Units/HODs-HO by issuing the circular and encourage them to implement the same.
- b) Monitoring of safety aspects of the projects on Pan India basis. Obtaining Monthly Safety Feedback report from all RBGs/SBGs/Zones/Units.
- c) Monitoring of relevant clauses of GCC (Contractors) which stipulate that the safety consultant/agency is to be deployed for the projects valuing ₹ 50 crore, and above by all RBGs/SBGs/Zones/Units.
- d) Proactive approach in assessment & mitigation of risks related to Safety and Health at work sites by conducting the safety audits at regular intervals of the project sites and by scrutinizing the daily/monthly safety feedback reports of work sites.
- e) Strengthening of the safety standards in the organization by celebrating the National Safety day/week campaign (recently 50<sup>th</sup> National Safety Day/Week campaign has been celebrated)

#### **IT Division**

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

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

- ERP- Employee Resource Planning (Web/Window)
- E-office
- Data Center – Virtualization
- Disaster Recovery (DR) Site
- DMS- Document Management System
- Vendor Portal
- Email
- Video Conference
- Cloud Services

Employee Resource Planning (ERP) – NBCC has implemented in-house ERP application which is software, placing its focus on integrating an organization, department and functions (HRM, Finance, Projects, etc.) into a single and integrated computer system that aims to serve all those department needs. ERP software suites are built to collect and organize data from various levels of an organization and connect business activities across departments. ERP reduces the communication time, effective communication and transparency within and outside the organization.

E-Office – NIC e-Office has been implemented to make the official communication time bound, easy tracking and faster, which has been procured from National Informatics Centre (NIC). E-Office, an integral part of NIC e-Office suite is a system designed for the government departments, PSU's to enable paperless office by scanning registering and routing the inward correspondences along with creation of file, noting, referencing, corresponding attachment, draft for approvals and finally movement of files as well as receipts. Adopting e-Office is resulting in number of benefits like bringing the transparency in the system, improved efficiency in working, easy searching and retrieving of files/ data, alerts on urgent files.

Disaster Recovery (DR) Site - Disaster Recovery (DR) site is a setup for recovery or continuation of IT infrastructure/services, which are vital to an organization after a natural or human-induced disaster. NBCC has setup its Disaster Recovery (DR) site at BSNL datacentre, Ahmedabad.

Information Technology (IT) Security Policy - The Information Technology (IT) Security Policy is a consolidated compilation of standards and guidelines to secure usage of various information systems and services and also to protect the information assets of NBCC from all security threats. Information Technology (IT) Policy of NBCC has been formulated.

Email - Electronic Correspondence (Email) – All the communications internally as well as with the external is done via Emails, which is being provided from National Informatics Centre (NIC). All the employees have been provided with official mail id for faster and paperless communication, with new domain i.e. @nbccindia.com.

Video Conferencing (VC) – It is a set of telecommunication technologies which allow two or more location to communicate by simultaneous two-way video and audio transmission. The use of technology has helped the organization in cost and time saving of employees. All the interaction, feedback and interviews of employees outside Delhi/NCR for promotions in the DPCs or FTPs are being conducted through VC.

### **Dividend Distribution Policy**

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the top 500 listed companies shall formulate a dividend distribution policy.

Accordingly, the policy was adopted to set out the parameters and circumstances that will be taken into account by the Board while determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company, The policy is attached as Annexure-IV and is also available on the Company's website, at <http://www.nbccindia.com/webEnglish/policies>

### **Corporate Social Responsibility Committee (CSR) & Sustainability Development**

The Company has Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Further, the Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013, which can be accessed on the Company's website, at the link <http://www.nbccindia.com/webEnglish/policies>.

The Company also has a Sustainability Policy to ensure healthy well-being of its stakeholders and protecting the environment. The policy guidelines are integral to the way the Company conducts its construction as well as other business operations.

NBCC is committed to ensure that it meets its business goals without compromising on the aspirations of the present and future generations.

The Annual Report on CSR activities forms part to this Annual Report and is enclosed as Annexure-V.

### **Compliance of DPE Guidelines and Policies**

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

### **MSME Implementation**

It always has been endeavour of NBCC to support Micro and Small Enterprises (MSEs) and local suppliers. NBCC has taken a number of steps including the necessary steps to implement the Public Procurement Policy of the Government of India to procure the items specified from MSEs, including SC/STs. Necessary provision is made in all the tenders stating the eligibility of MSMEs to participate in the tender. As mandated in the Public Procurement Policy-2012 for MSMEs (issue by Ministry of MSME-Govt. of India), total amount spent on procurement through MSME was ₹ 2,40,23,752/- and most of the vendors' payments have been released. The procurement is in line with Public Procurement Policy for MSME's notified by MSME, Govt of India.

## Risk Management

NBCC has a well laid-down risk assessment and management process. A Board level Committee called Risk Management Committee (RMC) has been constituted in compliance with the requirement of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to define a framework for identification, evaluation and mitigation of risk in the decision making process of the business of NBCC and to protect the Company from risks and consequence in the pursuit of Company's stated strategic goals and objective.

The Board had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

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

## Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial reporting in compliance with the provisions of Section 134(5)(e) of the Companies Act, 2013 and such internal financial controls over financial controls were operating effectively. During the financial year 2020-21, your company has redrafted the complete framework of internal financial controls over financial reporting and ensured that such controls are in place through independent agency.

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

In addition to the above, the Company has a well-defined delegation of financial powers to its various officers through its Sub-Delegation of Power. These delegations are reviewed on timely basis in line with the needs of the Company.

The Company has in-house Internal Audit and Technical Audit Departments commensurate with its size of operations. The internal audit program, scope of audit and audit plan is approved from the Audit Committee. Internal audit is conducted through external audit firms and reports are deliberated with the management as well as the Audit Committee.

The Statutory Auditors and Audit Committee of the Board regularly reviews significant audit findings covering operational, financial and other areas and provides guidance on internal controls.

## VIGILANCE ACTIVITIES AND INITIATIVES

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

NBCC, has observed 'Vigilance Awareness Week' with full enthusiasm from October 27, 2020 to November 2, 2020 on the theme "Integrity- A way of life". Among highlights of the week-long event organized by the Company, included release of Vigilance Bulletin titled 'PARDARSHITA' and thought-provoking Posters brought out by Vigilance Department of NBCC to spread awareness and provide valuable insights on vigilant practices.

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

| S. No. | Status of Cases  | No. of cases | Nature of Cases   |
|--------|--|--------------|---|
| 1      | Number of Cases at the beginning of Financial year 2020-21       | 52           | The nature of cases/ complaints are normally tender related, procedural lapses and financial irregularities related matters |
| 2      | Number of Cases received during the Financial year 2020-21       | 36           |   |
| 3      | Number of Cases disposed off during the Financial year 2020-21   | 64           |   |
| 4      | Number of Cases Pending at the end of the Financial year 2020-21 | 24           |   |

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

## SYSTEMIC IMPROVEMENT

Vigilance Division has been initiated by NBCC by introducing effective Vigilance MIS:

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

## Vigil Mechanism/Whistle Blower Policy

The 'NBCC Whistle Blower Policy' has been formulated namely (i) to ensure greater transparency in all aspects of the Company's functioning by formulating a procedure for further enabling employees to bring to the attention of Company incidents of improper activities or violation of the Company's Service (Conduct) Rules and the Code of Business Conduct & Ethics for Board Members and Senior Management, and (ii) to provide necessary safe-guards for protection of employees from reprisals of victimization for whistle blowing in good faith.

A vigil mechanism for directors and employees to report genuine concern about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct has been established which includes the duly adopted Whistle Blower Policy, uploaded on the Company's website at the link <http://www.nbccindia.com/webEnglish/policies>

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

## Investors Relation Cell

"NBCC" is committed to providing timely, accurate and comprehensive information relevant to all aspects of our operations and in compliance with SEBI regulations.

The purpose of the Investor Relations Policy is to ensure transparent and fair information dissemination. The Company recognizes that effective communication with investors assists in development and maintenance of an informed market in the Company's securities and enhances corporate governance by encouraging a culture of transparency in relation to the Company's corporate activities and proposals.

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

The Company maintains a corporate website (<http://www.nbccindia.com>). The Company's business developments, financial reports, announcements, analyst meet and Investor conferences schedules, news releases and other information are posted on the corporate website. Both current information and archives of previously released information including presentation slides and announcements are available under the "Investors" section of the website.

The Company keeps investors and the market fully equipped with the information that may have a material effect on the price or value of the Company's securities by timely disclosure of information through Stock Exchanges.

## Corporate Communication

During the last challenging year, this Division has successfully disseminated and exchanged news/information with all the publics' (external and internal) through well-articulated approach and unique ideations. Major focus was reinforcing the positive corporate image building and sustaining the identity of the Company. The Division accomplished number of activities during the period and major ones include:

- Successful interviews conducted with renowned national-digital and electronic media houses.
- Overall support required for in-house events and activities such as Foundation Day, Annual General Meetings, Vigilance Week and other such events.
- Website content development and regular updation of information under the allied heads.
- In-house content management for scheduled Calendar Events such as Earth Day, Environment day, Public Sector day, Women's Day, National festivals, etc.

- Content Generation and designing for internal dissemination of CMD's messages & announcements for NBCC employees across different branches.
- Extensive news coverage in print, electronic, broadcast and Social Media platforms through well-developed content and creative mediums such as press releases, in-house designed creatives etc.
- For enhanced engagement of various stakeholders, the social media platforms such as Facebook, Twitter and YouTube were evidently utilized for dissemination of important information and achievements of the Company.
- Regular designing and publishing of various advertisements/NITs through empanelled Advertising agencies.
- Content generation, designing, editing and co-ordination of Printing of Annual Reports of NBCC and its Subsidiaries.

## Auditors and Auditor's Report

### Statutory Auditors

M/s Dhawan & Co., Chartered Accountants, was appointed as Statutory Auditors for the financial year 2020-21 by the Comptroller & Auditor General of India (C&AG).

The notes on financial statements referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report is attached with financial statements and forms part of this Annual Report.

Statutory Auditor placed a qualified Audit Report on Consolidated Financial Statement before the Board of Directors which forms part of this Annual Report. The management comments on each qualification made by statutory auditors forms part of this Annual Report.

### Cost Auditors

M/s Chandra Wadhwa & Co., Cost Accountants (FRN-000239), are the Cost Auditors of the Company for the FY 2020-21 & 2021-22.

### Secretarial Auditors

The Board has appointed M/s P. C. Jain, Practicing Company Secretary, to conduct Secretarial Audit for the FY 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 along with management reply is at Annexure-VI.

### Comments of C&AG of India

Comptroller & Auditor General of India (C&AG) have given "NIL" comments on the financial statements (standalone and consolidated) of the Company for the FY 2020-21, forming part of this Report.

### Audit Committee

The Company has constituted Audit Committee with the members i.e. Dr. Jyoti Kiran Shukla, Chairperson and Sh. Shyam Sunder Dubey, Sh. Rajendra Chaudhari & Sh. Neelesh Shah as members. The recommendations made by the Audit Committee are accepted by the Board.

### Number of Meeting of Board of Directors

Pursuant to the Companies Act, 2013 and the Rules framed there under, 7 (Seven) Board meetings were held in the FY 2020-21. The details of the meeting are at Corporate Governance Report forming part of this Annual Report.

### Board of Directors and Key Managerial Personnel

#### Appointments/Cessations

During the FY 2020-21, there were no appointment/cessation of the board of directors in the company. However followings cessations have been made during FY 2020-21:

| S. No. | Name  | Cessation  |
|--------|---|------------|
| 1      | <b>Shri Neelesh Shah</b><br>Director (Projects)         | 31.05.2021 |
| 2      | <b>Shri Rajendra Chaudhari</b><br>Director (Commercial) | 09.06.2021 |

The strength of the Board of Directors of NBCC as on March 31, 2021 was Seven (7), comprising of four (4) Executive Directors (including CMD), two (2) Government Nominee Directors and one (1) Independent Director.

Dr Jyoti Kiran Shukla, Independent Director was appointed on the Board of NBCC on August 1, 2019.

### Details of Key Managerial Personnel

The following are the Key Managerial Personnel of the Company for the FY 2020-21 are:

- Shri Pawan Kumar Gupta, Chairman & Managing Director
- Shri Rajendra Chaudhari, Director (Commercial) (upto June 09, 2021)
- Shri Neelesh Manherlal Shah, Director (Projects) (upto May 31, 2021)
- Smt. B K Sokhey, Director (Finance) & CFO
- Smt. Deepti Gambhir, Company Secretary

The Ministry of Corporate Affairs vide notification dated June 05, 2015 notified the exemptions to Government Companies from the provisions of the Companies Act, 2013, which inter-alia provides that Sec. 134(3)(p) regarding statement on formal annual evaluation shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in-charge of the Company as per its own evaluation methodology. Further, in line with aforementioned exemptions, Sub-Sections (2), (3) & (4) of Sec. 178 regarding appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

### Declaration by Independent Director

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

### Training of Directors

NBCC undertakes on-boarding training for its directors to initiate them to the organization and its various operations including strategy, operations, organization structure, human resource, technology, risk management etc.

They are also updated on all the latest developments in Corporate Governance to gain deeper insights into their roles and responsibilities. Further, the Company also invests in the learning of Board-level executives through seminars and conferences held in association with reputed institutions.

The Company has made the arrangement for internal training of Independent Directors. The Company's policy on Directors' training can be accessed on the corporate website at the link <http://www.nbccindia.com/webEnglish/policies>.

### Annual Return

The copy of the Annual Return as provided under section 92 of the Companies Act, 2013 for FY 2020-21, would be placed at the website of the Company at [www.nbccindia.com](http://www.nbccindia.com).

### Business Responsibility Report

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

### Research & Development

The Research and Development (R&D) Policy of NBCC is:-

- To provide a framework for the development of a research culture within NBCC, to improve research performance and to achieve high quality technology outputs.
- To promote R&D activities as complimentary to construction activities so as to improve the quality of work and sustainability.
- To contribute towards creation of wealth and well-being of the Company and further the construction sector as a whole.
- To be supportive of the organization's aspiration to be a world class Construction Company.

NBCC has been at the forefront of encouraging and adopting sustainable construction. Some of the research projects sponsored in line with sustainable construction are given below:-



- Sustainable Construction & Reduction of Water Consumption in Construction - IIT Delhi.
- Recycled Aggregate Concrete, an investigation of properties and Structural applications- IIT Roorkee.
- Lesson from Green Residential Development- case of East Kidwai Nagar and New Moti Bagh by IIT Roorkee.
- Characterization of Manufactured Sand and its effective utilization in Construction by CSIR-CBRI Roorkee.
- Developing an integrated framework of Green Construction practices and implementation roadmap for NBCC- IIT Roorkee.

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

#### A) Conservation of Energy:

- Steps undertaken or impact on direction of Conservation of Energy and absorption of technology, threats, Risk and Concern:
  - NBCC has signed a Memorandum of Understanding (MoU) on December 18, 2017 with the Energy and Resources Institute (TERI) for the period of 5 years. Under the MoU, TERI will be providing advice and consultancy to NBCC on identifying solutions for sustainable development and implementation of GRIHA for new projects. TERI will also be assisting NBCC in formulating sustainable development policy and long term sustainable development plan. Further, it will be giving consultancy for conducting environment assessment and energy management in the existing projects among others.
- Steps taken by the Company for utilizing alternative sources of energy:
  - Installation of Roof Top solar power panels, solar heater, solar street lighting etc.
- Capital investment on energy conservation equipments:
  - As most of the projects executed by NBCC are in line with the GRIHA norms, the equipments used are all energy efficient.
  - Installation of LED based lighting in all NBCC Buildings.

#### B) TECHNOLOGY ABSORPTION:-

- The efforts made towards technology absorption:
  - Presentations of new products and innovative technologies of best in class companies are being organized.
- The benefits derived like product improvement, cost reduction, product development or import substitution:
  - Awareness about the new technologies and products is being imparted to the senior management for utilizing the same in the projects.
- There were no expenditure incurred on R&D during the FY 2020-21.

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

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

Foreign Exchange Earning: ₹ 13,42,67,799/-

Foreign Exchange Outgo: ₹ 1,20,63,503/-

#### Progressive Use of Hindi

The provisions of the Official Language Policy of the Government of India have been implemented in the company. Employees are encouraged to do their official work in Hindi. In the company, schemes like Hindi Noting-Drafting Incentive Scheme, Hindi Dictation Incentive Schemes etc. of the Department of Official Language, Ministry of Home Affairs have been implemented in which employees participate. Apart from this, In order to encourage the employees to do official work in Hindi more and more, an internal competition named Quarterly Hindi Vyavhar Pratoyogita has also been implemented for 'A', 'B' and 'C' Region. During the year, several efforts have been made in the company towards increasing the progressive use of Hindi. During the year 2020-21, quarterly meetings of Official Language Implementation Committee (OLIC) were organized regularly to review the progressive use of Official Language Hindi in the Company.

During the year, Hindi workshops were organized to promote official use of Hindi typing, Unicode, Hindi noting and drafting etc. in which participants from Corporate Office, RBG, SBG and Zonal Offices participated.

Hindi Pakhwada was organized from September 01, 2020 to September 14, 2020, with the objective of increasing the use of Hindi in official work in the corporate office and to promote the possibilities of working in Hindi. During this period, online Hindi quiz competition was organized through ERP from September 02, 2020 to September 10, 2020 in which the employees actively participated. Top 50 winners of online Hindi quiz competition were awarded with certificates and books of eminent authors.

According to the directions of the Department of Official Language, Ministry of Home Affairs, a Saransh digital board was installed at prominent place in Corporate Office for the display of the epigram of great men, today's Hindi word etc.

During Hindi Pakhwada Shri Vikram Singh, Hindi Pradhyapak, Central Hindi Training Institute, delivered a lecture on 'Unicode and Useful IT Tools on Computers' under the aegis of TOLIC Delhi (Undertaking-2) through video conferencing on September 15, 2020 in which the employees working in the offices of NBCC all over the country, including the participants of the member offices of TOLIC Delhi (Undertaking-2) participated online. On the occasion of Hindi Day, an appeal was also issued by the Chairman & Managing Director to encourage employees to work in Hindi.

The Ninth issue of NBCC's internal Hindi magazine "निर्माण भारती" was also published during the year.

Hindi inspections done by the Official Language Division in Corporate Office and Regional Business Groups (RBGs) / Strategic Business Groups (SBGs) / Zonal Offices, to monitor the use of Official Language Hindi in day to day work.

आपको यह बताते हुए बहुत हर्ष हो रहा है कि एनबीसीसी (इंडिया) लिमिटेड को राजभाषा के क्षेत्र में उत्कृष्ट प्रदर्शन करने के लिए वर्ष 2020-21 के लिए महामहिम राष्ट्रपति महोदय द्वारा राजभाषा नीति के कार्यान्वयन के क्षेत्र में प्रदान किया जाने वाला प्रतिष्ठित राजभाषा कीर्ति पुरस्कार प्रदान किया गया है।

## Right To Information

Right to Information (RTI) Act, 2005 has empowered the Indian citizen to access information from public authorities, resulting in transparency and accountability to the working of the authorities. Your Company has appropriate mechanism to provide information to citizens under the provisions of Right to Information (RTI) Act, 2005.

The status of RTI received during the year is as follows:

(In Nos.)

| RTI Application received | RTI applications |                      |                                       |                       | Pending Applications |
|--------------------------|------------------|----------------------|---------------------------------------|-----------------------|----------------------|
|                          | Rejected         | Information provided | Transferred to other public Authority | Returned to Applicant |                      |
| 413                      | 3                | 356                  | 9                                     | 0                     | 45                   |

## Significant And Material Orders

The impact of Covid-19 pandemic has effected the financial position of the Company during FY 2020-21.

### General:

Directors hereby state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. There was no issue of shares under ESOS to the employees.
2. Neither the Chairman & Managing Director nor the Whole Time Director received any remuneration or commission from the subsidiary Company.
3. Provisions of Section 197 of the Companies Act, 2013 regarding disclosure of the ratio of the remuneration of each director to the median employee's remuneration and details of employees receiving remuneration exceeding limits as prescribed from time to time in the Directors' Report is not applicable to NBCC being a Government Company pursuant to MCA Notification dated June 05, 2015.
4. The Company is compliant of the Secretarial Standards issued by the ICSI from time to time.
5. Information on number of meetings of the Board held during the year, composition of committees of the Board and their

meetings held during the year, establishment of vigil mechanism/ whistle blower policy and web-links for familiarization/ training policy of directors, Policy on Materiality of Related Party Transactions and also on Dealing with Related Party Transactions and Policy for determining 'Material' Subsidiaries have been provided in the Report on Corporate Governance, which forms part of the Directors Report at Annexure-II.

6. All directions issued by the Government of India during FY 2020-21 have been duly complied with by the Company.

### Acknowledgement

Your Board of Directors sincerely acknowledge the co-operation, guidance and support received from the Ministry of Housing and Urban Affairs, DPE, MCA, and other agencies of the Central and State Governments.

The Board is grateful to the contribution of contractors, vendors, consultants, and business partners in the implementation of various projects of the Company.

Your Directors thank all the shareholders and the members of NBCC Family for their trust and confidence reposed in the Board.

Further, the appreciation is placed on record for the untiring efforts and dedication made by the NBCCians at all levels, during the challenging and un-precedented COVID-19 pandemic situation, to ensure that the Company continues to grow, excel and sustain.

On Behalf of the Board of Directors

Sd/-

**Pawan Kumar Gupta**  
Chairman & Managing Director

(DIN: 07698337)

Place: New Delhi

Date: September 7, 2021



## Management Discussion and Analysis Report

### INDUSTRY OUTLOOK

The Covid-19 pandemic engendered a once-in-a-century global crisis in 2020. Faced with unprecedented uncertainty at the onset of the pandemic, India focused on saving lives and livelihoods by its willingness to take short-term pain for long-term gain.

India's response stemmed from the humane principle that while GDP growth will recover from the temporary shock caused by an intense lockdown, human lives that are lost cannot be brought back.

India's strategy flattened the curve, pushed the peak to September, 2020, and helped transform the short-term trade-off between lives and livelihoods into a win-win in the medium to long-term that saved both lives and livelihoods. After the September peak, India has been unique in experiencing declining daily cases despite increasing mobility.

Indian policymakers, backed by evidence, recognized that the lockdown would adversely impact economic activity and disrupt livelihoods. The fiscal policy response of the Government of India to the pandemic was, accordingly, strategized with a step-by-step approach. During the first two quarters of FY:2020-21, the Government ensured that funds for essential activities were available despite a sharp contraction in revenue receipts. The initial approach was to provide a cushion for the poor and to the business sector (especially the MSMEs) to tide over the distress caused by disruption of economic activity.

With the easing of movement and health-related restrictions in the third quarter, government transited in a calibrated fashion to support investment and consumption demand through Atmanirbhar Bharat. The timing of stimulus was tuned to the absorptive capacity of the economy, which was affected by the lockdown. There was no point in pushing the accelerator while the foot was firmly on the brake as a demand stimulus at a time when supply was constrained would not have helped.

The timing of the expenditure push, especially the capital expenditure, after the reduction in health-related curbs, manifests the strategy of stimulating 'growth' when it would be most effective. Under Pradhanmantri Gareeb Kalyan Yojana package, an amount of ₹ 4987 crore was disbursed via direct benefit transfer to 1.82 crore beneficiaries under scheme of support to building and other construction workers.

### BUSINESS OVERVIEW: NBCC'S CORE ACTIVITIES

NBCC, a "Navratna" CPSE, of the Government of India is under the administrative control of Ministry of Housing and Urban Affairs. Having walked through 61 years of business, its core activities comprise of three verticals namely:

- (i) Project Management Consultancy (PMC),
- (ii) Engineering Procurement and Construction (EPC), and
- (iii) Real Estate.

#### Project Management Consultancy (PMC)

NBCC executes its PMC projects across in wide gamut of construction field at a fixed agency charge, which inter-alia includes civil construction projects such as hospitals, educational institutes, residential complexes, commercial complexes, border fencing, etc., infrastructure projects such as solid waste management schemes, water storage solutions, roads, drainage systems, water supply systems, etc.

The other major component in PMC segment is the Company's unique re-development model of business, on self revenue generation basis which established NBCC, as a leader in the construction sector, wherein government provides land for re-development, on which funds are generated by commercializing part of the land, and the receipts are utilized for the re-development of the project.

#### Engineering Procurement and Construction (EPC)

NBCC's EPC services include project conceptualization, feasibility studies, detailed project reports, engineering, tender specifications and various packages covering basic and detailed engineering, review of projects, procurement, construction

drawings, commissioning, testing and handing over of project to clients in ready-to-use i.e. in functional condition.

NBCC's has been operating in Infrastructure segment, executing a diverse range of projects like chimneys, cooling towers, coal handling plants, roads, TV towers, airports, runways etc.

### Real Estate

It was in year 1988, when NBCC entered the Real Estate segment. NBCC, a leader in the construction sector, has been playing a vital role in execution of residential and commercial projects as well as many institutional projects wherein it either acquires land parcel or enters into JV or Consortium with other leading players.

The development and management of real estate sector has emerged as a critical and crucial part of the larger Indian construction space. However, the real estate sector has been going through a challenging phase in the last few years. Many real estate developers have failed and are undergoing liquidation process.

Recently, Hon'ble Supreme Court has appointed NBCC as implementing agency for the stalled projects of Amrapali Group.

NBCC, a Government Navratna Company and a leader in the construction segment, is looked upon as a vital and trustable agency by home buyers in executing stalled projects of real estate developers.

### Overseas operations

In year 1977, NBCC ventured in overseas market and successfully executed diverse and complex projects in countries like Libya, Iraq, Yemen, Nepal, Maldives, Mauritius, Turkey and Botswana.

The Company presently records its presence in Maldives, Mauritius and Dubai where it is implementing various prestigious projects.

### OUTLOOK

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

NBCC always endeavors to execute projects with world-class technology and delivers these within given time-frame. The Company has consistently improved its execution capabilities with the adoption of latest technology.

It has been a leader in the construction sector. Its unique business model for development of government colonies and its diverse exposure across businesses, segments and geographies de-risks cyclical downturns, resulting in a steady growth trajectory.

NBCC takes pride in creating new generation workspaces that match global standards. The Company has the distinction of developing office projects at par with the best in the world. It has become a partner of choice for many government and non-government organisations.

The construction industry has been witness to a strong growth wave powered by large spends on housing, road, water supply, urban transformation etc. With the total investment in infrastructure estimated to increase significantly, the future outlook for NBCC is both positive and optimistic.

### FINANCIAL PERFORMANCE

The corporate results for the financial year 2020-21 and the Key financial highlights are as under:

(₹ in crore)

| Particular   | Consolidated |            | Standalone |            |
|--|--------------|------------|------------|------------|
|  | FY 2020-21   | FY 2019-20 | FY 2020-21 | FY 2019-20 |
| Total Income   | 7012.36      | 8,293.00   | 5120.08    | 5,445.43   |
| Total Expenses                                       | 6725.05      | 7,996.73   | 4875.63    | 5,204.15   |
| Share of Profit/(Loss) in joint venture (Net of Tax) | (0.20)       | 0.86       | -          | -          |
| PBT  | 287.11       | 297.13     | 244.45     | 241.28     |
| PAT  | 236.24       | 99.87      | 201.74     | 79.87      |

The Board of Directors has recommended a Final Dividend of ₹ 0.47 per fully paid-up equity share of ₹ 1/- each ( i.e. 47 %) for the financial year 2020-21 subject to the approval of the shareholders at the ensuing AGM of the Company.

## Segment-wise Performance:

Segment-wise performance of the Company is as under:

(₹ in crore)

| Particular                       | Consolidated  |            | Standalone    |            |
|----------------------------------|---------------|------------|---------------|------------|
|                                  | Year Ended on |            | Year Ended on |            |
|                                  | 31.03.2021    | 31.03.2020 | 31.03.2021    | 31.03.2020 |
|                                  | Audited       | Audited    | Audited       | Audited    |
| 1. Segment Revenue               |               |            |               |            |
| (a) PMC                          | 6287.08       | 7470.66    | 4540.57       | 4807.22    |
| (b) Real Estate                  | 94.64         | 145.23     | 94.64         | 145.23     |
| (c) EPC                          | 358.22        | 411.61     | 248.03        | 227.27     |
| Total                            | 6739.94       | 8027.50    | 4883.24       | 5179.72    |
| Less: Inter Segment Revenue      | -             | -          | -             | -          |
| Net sales/Income From Operations | 6739.94       | 8027.50    | 4883.24       | 5179.72    |
| 2. Segment Results               |               |            |               |            |
| (a) PMC                          | 251.05        | 313.05     | 198.70        | 219.98     |
| (b) Real Estate                  | (3.41)        | (5.36)     | (3.13)        | (5.50)     |
| (c) EPC                          | 18.73         | 33.51      | 4.93          | 19.53      |
| (d) Unallocated                  | 27.35         | (37.39)    | 50.55         | 13.93      |
| Less: Finance Cost               | 6.62          | 6.69       | 6.60          | 6.66       |
| Total Profit before Tax          | 287.11        | 297.12     | 244.45        | 241.28     |

## INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

At the end of the financial year 2020-21, NBCC had following subsidiaries and joint venture companies:

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

Besides, there are two non-incorporated JVs i.e. NBCC-AB JV and NBCC-MHG JV

### Notes:

1. NBCC Gulf LLC was voluntary liquidated on June 20, 2021.
2. NBCC Engineering and Consultancy Ltd has commenced its voluntary winding up with effect from February 19, 2021
3. NBCC (India) Limited has filed merger application before Ministry of Corporate Affairs for merger of NBCC International Limited and NBCC Environment Engineering Limited with holding company.

### Related Party Disclosure:

| Sr No. | In the accounts of | Disclosures of amounts at the year end March 31, 2021 and the maximum amount of loans/ advances/ Investments outstanding during the year   |
|--------|--------------------|--|
| 1      | Holding Company    | <ul style="list-style-type: none"> <li>Loans and advances in the nature of loans to subsidiaries by name and amount: NIL</li> <li>Loans and advances in the nature of loans to associates by name and amount: NIL</li> <li>Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: NIL</li> </ul> |
| 2      | Holding Company    | Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan: NIL   |

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

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

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

| Particular                 | Financial Ratio |         | Details of Ratio                               | Remarks  |
|----------------------------|-----------------|---------|--|--|
|                            | 2020-21         | 2019-20 |  |  |
| Debtors Turnover           | 3.25            | 2.98    | Turnover/ Debtor Average                       | This ratio measures the efficiency of the Company in managing and collecting the debts and receivables. It signifies the level how frequently the Company realizes its dues. |
| Inventory Turnover Ratio   | 2.82            | 2.88    | Turnover/ Inventory Average                    | This ratio shows how well the Company manages its inventory levels and how frequently the Company replenishes its inventory.   |
| Interest Coverage Ratio    | N/A             | NA      | NA   | NA   |
| Current Ratio              | 0.98            | 1.15    | Current Assets / Current Liability             | This ratio shows the Company's ability to pay short-term obligations or those due within one year  |
| Debt Equity Ratio          | N/A             | N/A     | NA   | NA   |
| Operating Profit Margin(%) | 1.45%           | 0.12%   | Operating Profit / Total Income from Operation | This ratio shows how much profit the Company makes on sales/services, after paying directly attributable prime cost.   |
| Net Profit Margin (%)      | 4.08%           | 1.53%   | Profit after Tax / Total Income from Operation | Net profit margin signifies how much net income/profit is generated from its operating revenues.   |

### BREAKING NEW GROUNDS THROUGH RESEARCH & DEVELOPMENT

The Research and Development (R&D) at NBCC inculcate and foster a research culture within NBCC, which always endeavors to work pushing the boundaries and reaching new frontiers by improving research performance and achieving high quality technology outputs leading towards innovation, introduction and improvement of services and processes.

It contributes towards creation of wealth and well-being of the Company and promotes sustainability for the construction sector as a whole. It supports NBCC's aspiration of emerging and evolving into a world-class construction company.

#### MoU with IIT Roorkee

NBCC has signed a Memorandum of Understanding on November 7, 2014, with Indian Institute of Technology Roorkee, for Joint Research & Development Centre at Greater Noida for **"Sustainable Civil Infrastructure"** wherein mutually agreed research projects are being undertaken by the faculty of IIT Roorkee and workshops, conferences and training programmes are being conducted at the Joint R&D Centre. Further, MoU has been extended for the next 5 years i.e. upto November 6, 2024.

The following sponsored research projects have been completed by various IIT with significant outcomes Out reach activity- Modular construction alternative of lecture Hall Complex at IIT Roorkee

- Economising of Prefab Structures to be added in project list
- Reduction of Water Consumption in Construction by IIT Delhi.
- Risk Management –Identification, evaluation and strategic management of risks in Infrastructure projects by IIT Delhi.
- Development of Transfer operate Transfer (TOT) framework for facility management by IIT Delhi.
- Mechanical properties of Nano-Silica based HPC-IIT Roorkee.
- Development of Agriculture Waste based accelerator for enhanced concrete hardening- IIT Roorkee.
- Outreach activity- Modular Construction alternative of Lecture Hall complex at IIT Roorkee- IIT Roorkee.
- Patent has been applied on the basis of outcome of research project **“Development of Agriculture Waste based Accelerator for Enhanced Concrete Hardening”**.

The following sponsored research projects are under progress at IITs/ Premiere Institutes/Research organization:

- I. Recycled Aggregate Concrete, an investigation of properties and Structural applications- IIT Roorkee.
- II. Identification and Degradation of Emerging Contaminants in India by Advanced Oxidation and Advanced Reduction Process.
- III. Comparative study of conventional building foundations with foundations on treated/ reinforced ground.
- IV. Pragmatic Approach towards using demolished concrete wastes & reclaimed asphalt pavement in Pavement Quality Concrete (PQC) Mix.
- V. Framework to manage construction and governance of Smart City Buildings in India.
- VI. Development of Self-healing concrete using bacteria by Thapar University, Patiala.
- VII. Development of accelerated carbonation curing procedure as an effective Carbon dioxide sequestration and water conservation technique.
- VIII. Lesson from Green Residential Development- case of East Kidwai Nagar and New Moti Bagh by IIT Roorkee.
- IX. Seismic Safety measures for RC frame Buildings with different types of Infill panels by IIT Roorkee.
- X. Characterization of Manufactured Sand and its effective utilization in Construction by CSIR-CBRI Roorkee.
- XI. Developing an integrated framework of Green Construction practices and implementation roadmap for NBCC- IIT Roorkee.

In addition to above “Laboratory for Sustainable materials and Durable Construction” is being set up at IITR-NBCC R&D centre, Greater Noida for investigating durability parameters of building materials which can be used for designing long life structures and extending the life of existing structures, developing alternative low energy sustainable materials and construction techniques etc.

## ECO-FRIENDLY GREEN CONSTRUCTIONS

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

- I. SPG Dwarka – LEED Platinum rating.
- II. Garvi Gujarat Sadan - GRIHA 3-star rating.
- III. Central Information Commission Headquarters - GRIHA 4-star rating.
- IV. Income Tax office, Lucknow - GRIHA 3-star rating.
- V. NIA Headquarters, Delhi - GRIHA 3-star rating.
- VI. MSTC Corporate Office, Kolkata - GRIHA 3-star rating.
- VII. India’s first and largest Green Home Campus at New Moti Bagh- IGBC-LEED Silver rating.
- VIII. National Institute for Solar Energy (NISE), Gurugram - GRIHA 5 star rating.
- IX. Indian Institute of Corporate Affairs, Manesar- LEED Gold rating.
- X. Civil Services Officers Institute (CSOI) New Delhi - GRIHA 3-Star rating.



- XI. Coal India Building Headquarters, Kolkata (WB) - GRIHA 4-Star rating.
- XII. Central Bureau of Investigation (CBI) H.Q. – LEED Silver rating.
- XIII. Group Head Quarter for CISF at Ahmedabad - GRIHA 3-Star rating.

Besides the above, NBCC had set up a C&D waste recycling plant at the East Kidwai Nagar redevelopment project, where 2 million bricks were manufactured and have been in the project itself.

### COLLABORATIONS & EXPANSIONS

The Hon'ble Supreme Court vide its order, appointed NBCC (India) Limited ("NBCC") as Project Management Consultant to complete stalled projects of the Amrapali Group.

NBCC had acquired Hindustan Steelworks Construction Limited (HSCL) in 2017 and HSCC (India) Limited in 2018. NBCC had been benefitted from their versatile infrastructure portfolio and expertise in implementation of integrated steel plants and hospitals respectively.

NBCC is also acting as Land Management Agency (LMA) for the Government of India for disposing of land / immovable assets of sick PSUs.

### OPPORTUNITIES & CHALLENGES

NBCC's unique business model as well as its redevelopment projects, proven execution with respect to quality-adherence and time-bound delivery as well as its innovation-led leadership create substantial differentiation and the Company is quite confident to hold its forte.

The potential sanctions under various projects of the Central Government such as Pradhan Mantri Awas Yojna (PMAY - urban and rural), Smart Cities, AMRUT, HRIDAY and such other schemes may create enormous opportunities for NBCC.

The huge infrastructure gaps in the country will increase the demand for construction sector. Further, rapid population growth would lead to increased pace for urbanization .

However, the actual realization of these potential opportunities would depend on the level of threats and strategies followed to counter these especially in the existing COVID-19 pandemic resulting in unforeseen economic recession across the country and world at large.

### RISKS AND CONCERNS

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

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

Another concern NBCC has to contend with the increasing level of competition from private sectors companies and other PSUs who have entered its niche areas.

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

While the Government has come up with several announcements to reform the sector and boost investor sentiments, key challenges remain to be addressed to sustain the growth trajectory as follows:

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

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

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

Further, in this COVID-19 pandemic time, when there had been country wide lockdown, the Company has taken various digital routes to explore and fulfilling opportunities both at home and overseas. Various digitalization initiatives have been undertaken to aid project monitoring and harness the power of digital technology.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The controls have been designed to provide assurance with respect to maintenance of proper accounting records, ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors and ensuring reliability of financial and operational information.

The Internal Control Systems (including Internal Financial Controls over Financial Reporting) are reviewed on an ongoing basis and discussed at Audit Committee meetings. Necessary changes are carried out by the management to align with the changing business requirements.

Additionally, the Company has a well-defined delegation of financial powers to its various officers through its Sub-Delegation of Power book. The book is regularly updated as per needs of the Company as well as to bring further delegation.

The Company has in-house Internal Audit and Technical Audit Departments commensurate with its size of operations. The internal audit programme, scope of audit and audit plan is approved from the Audit Committee. Internal audit is conducted through external audit firms and reports are deliberated with the management as well as the Audit Committee.

The Statutory Auditors and Audit Committee of the Board regularly reviews significant audit findings covering operational, financial and other areas and provides guidance on internal controls.

## HUMAN RESOURCE DEVELOPMENT

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

To align with the organisation strategy, human resource strive for sustainable practices, focus on recruitment, performance management system, manpower planning, training & development with service matters, disciplinary matters, welfare, social security, general terms and conditions of service etc.

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

The Company had maintained cordial industrial relations during the year, and continued to provide comprehensive welfare facilities to its employees to take care of their health, efficiency, economic betterment, etc. and to enable them to give their best at the workplace. Employees have reposed trust on the company and accordingly consecutively second year, NBCC has bagged recognition from the Great Place to Work® Institute, a global benchmarking authority on workplace cultures after their extensive assessment on Quality of Employees Experience (Trust Index) and Cultural Audit of more than 10,000 organizations.

It has always supported participative culture in the management of the enterprise through a consultative approach with the collectives, establishing a harmonious relationship for industrial peace leading to higher productivity.

Employees' participation is also ensured through information-sharing with collectives and employees on a regular basis while seeking their support, suggestions and cooperation.

Human Resource Development is the core for any of the Organization to achieve the Organization Goal. Keeping in view the present innovative & challenging market, the organization has arranged need based In-House Training Programs / Technical Workshops to make officials / employees aware of latest trends / techniques and changes taking place in their respective fields and to enhance their knowledge so that they work with more potential & zeal to achieve the Organizational Goal.

### Human Resource Trainings

Learning and development is key towards agility. It ensures that an employee should remain a valuable asset all the time. NBCC training and development understands the change in business need of the company and thereby ensures the availability of right talent all the time.

In spite of severe global pandemic, NBCC ensured that its resources continue to update their skills. It has efficiently leveraged its knowledge and skill building initiatives through e-learning to sharpen the saw. Undisturbed by the unprecedented impact of lockdown due to pandemic, NBCC has achieved a major landmark by productively implementing a massive employee engagement program. Significantly, in addition to focusing on the health and wellbeing of its employees, NBCC has effectively used this lockdown as an opportunity to sharpen the knowledge, skill and creativity of its resources.

The Learning & Development (L&D) team of the company has created several learning opportunities through various e-learning courses, webinars, and pieces of training on technical, functional, managerial and behavioral domains. The team also shared over 250 YouTube highly relevant links with the employees on technical and behavioral topics which facilitated the learning opportunities.

NBCC has extensively used its in-house skill, expertise and domain experts in developing e-modules that are available on its ERP. The video recorded training sessions were also uploaded in the website of NBCC which could be accessed by any employee serving from any part of the globe. The company has also leveraged its vast IT infrastructure to support remote learning by arranging video based learning for extensive coverage.

The SAMANYA portal was also extensively used by employees to understand the best practices of other CPSEs.

### DISCLOSURE OF ACCOUNTING TREATMENT

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

### CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of the Company.

Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties.

The actual result may differ materially from the projected one, due to changes in the general economic and business conditions, affecting the segment in which the company operates.

Further, changes in business strategy, interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in statutory regulations, tax laws, statutes and other incidental factors may also impact the actual results of the Company.

The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new development, in future or otherwise.

Place: New Delhi  
Date : September 07, 2021

Sd/-  
**(Pawan Kumar Gupta)**  
Chairman & Managing Director  
(DIN-07698337)



## CORPORATE GOVERNANCE REPORT

### I. CORPORATE GOVERNANCE PHILOSOPHY

At NBCC, we maintain fully transparency related to the leadership and governance of the Company. Accountability, fairness and intensive communication with stakeholders are integral to our functioning. NBCC establishes highest priority to these systems and protects the interests of all the stakeholders.

### II. BOARD OF DIRECTORS

#### 1. Composition of the Board

At NBCC, the Board is at the core of our corporate governance practice. The Board oversees the management's function and protects the long-term interests of the stakeholders. As on March 31, 2021, Board of the Company had seven (7) Directors. Out of the seven directors, four (4) were Functional Directors (including Chairman & Managing Director), two (2) were Government Nominee Directors and one (1) was Woman Independent Director.

However, the composition of the Board is not as per the statutory provisions including Regulation 17 of the SEBI (LODR) Regulations, 2015 read with Section 149 of the Act. This is due to completion of tenure of the six (6) Independent Directors of the company on June 16, 2019.

NBCC (India) Limited being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional/ Official Part-time Directors/ non-Official Part-time Directors (Independent Directors) vests with the Government of India. The appointment of directors is made by the President of India through Administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA).

In view of the same, requests have already been made from time to time to the Administrative Ministry for appointment of requisite number of Independent Directors on the Board of the Company.

One Independent Woman Director (Dr. Jyoti Kiran Shukla) has been appointed with effect from August 1, 2019 and appointment of other five Independent Directors is awaited.

Further, Shri Neelesh Shah, Director (Projects) and Shri Rajendra Chaudhari as Director (Commercial) ceased as Director w.e.f. May 31, 2021 and June 09, 2021 due to completion of tenure respectively.

None of the Directors on the Board held directorships in more than ten public companies. Further none of them was a member of more than ten committees or chairman of more than five committees across all the public companies in which they hold Directorship.

Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors were inter-se related to each other.

#### 2. Selection of Directors

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

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

| S No. | Name of the Director  | Skill/Attribute/ Experience             | Description   |
|-------|---|---|---|
| 1     | Shri Pawan Kumar Gupta<br>Chairman & Managing Director                  | Civil Engineering, Contracting Services | Experience in Civil Engineering background, contracting services would be an added advantage. Responsible for efficient functioning of the corporation for achieving corporate objective and performance parameters.  |
| 2     | Smt. B.K. Sokhey<br>Director (Finance)                                  | Finance                                 | Experience in corporate financial management and accounts and responsible for evolving and formulating policies relating to finance and accounts as well as implementation thereof.   |
| 3     | Shri Rajendra Chaudhari<br>Director (Commercial)<br>(upto June 9, 2021) | Commercial                              | Procurement and execution of projects in both real estate and re-development segment including real estate marketing. Also shall be responsible for business development for corporation in domestic and international market and execution of overseas projects. |
| 4     | Shri Neelesh Shah<br>Director (Projects)<br>(upto May 31, 2021)         | Project                                 | Execution, implementation and maintenance of projects both in project management consultancy and engineering, procurement and construction contracts.   |

Further, Regulation 17(10) & 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 mandates that the company to carry out the performance evaluation of the directors. However, NBCC being a Government Company, the appointment/nomination of all the Directors is being done by the President of India, through the Ministry of Housing and Urban Affairs and performance evaluation of Directors including Independent Directors is done by the Administrative Ministry being the appointing authority.

### 3. Familiarization programme for Board members

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

They are also updated from time to time on the development in the applicable laws from various statutory bodies to understand their role and responsibilities towards the Company.

The Company also facilitates continuous training programmes for directors as per the policy on training of directors available on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com).

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

### 4. Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder.

In terms of Regulation 25(8) of SEBI (LODR) Regulations, 2015 a declaration of fulfilling the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015 have been obtained and they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are independent of the management.

As on March 31, 2021, there was only one Independent Director on the Board of NBCC. Accordingly, no separate meeting of Independent Directors could be held during the financial year 2020-21; however, the comments of Dr Jyoti Kiran Shukla, the only Independent Director on the Board of NBCC, were taken.

### 5. Disclosures about Directors

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

### 6. Code of Conduct

As a part of NBCC's persisting endeavor to set high standard of conduct for its employees, a "Code of Business Conduct and Ethics for Board Members and Senior Management" were laid down and the same are revised in line with changes in the regulatory framework and changing business dynamics and to incorporate other relevant provisions to strengthen the Code from time to time. The Code of Conduct is available on the website of the Company at [www.nbccindia.com](http://www.nbccindia.com).

All Board Members and Senior Management personnel affirm compliances with the NBCC's Code of Conduct annually.

A declaration signed by the Chairman & Managing Director (CMD) to this effect is placed as part of this report.

### 7. Key Managerial Personnel

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

- Shri Pawan Kumar Gupta, Chairman & Managing Director
- Shri Rajendra Chaudhari, Director (Commercial), (upto June 9, 2021)
- Shri Neelesh Shah, Director (Projects), (upto May 31, 2021)
- Smt. BK Sokhey, Director (Finance) & CFO and
- Smt. Deepti Gambhir, Company Secretary.

## 8. Equity Shares held by Directors:

Shri Rajendra Chaudhari, Director (Commercial), Shri Neelesh Shah, Director (Projects) and Smt. BK Sokhey, Director (Finance) held 11,968; 10,004 and 5,004 equity shares respectively in the Company as on March 31, 2021. All other Directors including Independent Directors held nil equity shares as per the declaration made by them to the Company.

## 9. Board Meetings

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

## 10. Selection of Agenda items for Board Meetings

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

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

- Internal audit findings and external audit reports (through the Audit Committee)
- Proposals for major investments of surplus funds;
- Making of loans and investment of surplus funds;
- Diversify the business of the Company;
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments;
- Compliance Certificate certifying compliance with all laws as applicable to the Company;
- Any other matter as may be required by the approval of the Board of Directors.

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

The minutes of the each Board and Committee meeting are recorded by the Company Secretary. Draft minutes are circulated to members for their comments and finalized minutes are entered into the minute book within 30 days of the conclusion of the meeting.

Decisions taken in the Board /Committee meetings are communicated to respective departments for necessary action and action taken report on decisions of the previous meeting(s) is placed at the succeeding meeting of the Board/ Committee for information of the members.

Further, the minutes of all the committee meetings are placed before the Board of Director of the Company.

#### 12. Compliance

While preparing the agenda notes and minutes of the meeting(s), adherence to applicable laws, rules and regulations including Companies Act, 2013 read with rules issued thereunder, SEBI Laws and Secretarial Standards issued by the Institute of Company Secretaries of India is ensured.

#### 13. Number of Board Meetings

The Board of Directors met Seven (7) times during the FY 2020-21. The details of the Board meetings are as under:

| S No. | Date of Meeting    | Board Strength (Nos) | No. of Directors Present |
|-------|--------------------|----------------------|--------------------------|
| 1     | July 06, 2020      | 07                   | 07                       |
| 2     | July 30, 2020      | 07                   | 07                       |
| 3     | September 3, 2020  | 07                   | 07                       |
| 4     | September 14, 2020 | 07                   | 07                       |
| 5     | November 11, 2020  | 07                   | 06                       |
| 6     | February 10, 2021  | 07                   | 06                       |
| 7     | March 05, 2021     | 07                   | 05                       |

#### 14. Attendance of Directors during FY 2020-2021 at Board meetings, last Annual General Meetings and number of other directorships and Memberships on Boards/Committees of various other Committees are given thereunder:

| Name of Director                 | Category of Directorship     | No. of Board meetings held during his/her duration | No. of Board Meetings attended | Attendance at the last Annual General Meeting (AGM) | No. of other Directorships* | Memberships/ Chairmanships of other Committees** | Name of Companies where the person is a Director |
|----------------------------------|------------------------------|--|--------------------------------|---|-----------------------------|--|--|
| Executive( Functional) Directors |                              |  |                                |   |                             |  |  |
| Shri Pawan Kumar Gupta           | Chairman & Managing Director | 7  | 6                              | Present   | 1                           | -  | 1. NBCC (India) Limited                          |
| Shri Rajendra Chaudhari          | Director (Commercial)        | 7  | 7                              | Present   | 1                           | 2  | 1.NBCC (India) Limited                           |
| Shri Neelesh Shah                | Director (Project)           | 7  | 7                              | Present   | 1                           | 2  | NBCC (India) Limited                             |

| Name of Director                                   | Category of Directorship                   | No. of Board meetings held during his/her duration | No. of Board Meetings attended | Attendance at the last Annual General Meeting (AGM) | No. of other Directorships* | Memberships/ Chairmanships of other Committees** | Name of Companies where the person is a Director                            |
|--|--|--|--------------------------------|---|-----------------------------|--|---|
| Smt. BK Sokhey                                     | Director (Finance)                         | 7  | 7                              | Present   | 1                           | 1  | 1. NBCC (India) Limited   |
| Part time official Directors – Government Nominees |  |  |                                |   |                             |  |   |
| Shri Kamran Rizvi                                  | Additional Secretary, MoHUA                | 7  | 5                              | Absent  | 2                           | 2  | 1. NBCC (India) Limited<br>2. Housing Urban Development Corporation Limited |
| Shri Shyam Sunder Dubey                            | Joint Secretary & Financial Advisor, MoHUA | 7  | 6                              | Absent  | 2                           | 7  | 1. NBCC (India) Limited<br>2. Housing Urban Development Corporation Limited |
| Independent Directors                              |  |  |                                |   |                             |  |   |
| Dr. Jyoti Kiran Shukla                             | Independent Director                       | 7  | 7                              | Present   | 1                           | 5  | 1. NBCC (India) Limited   |

## Notes

- \* No. of Directorships in listed entities including NBCC (India) Limited as on March 31, 2021 are taken into account.
- \*\* No. of Chairmanship/Membership of the Audit Committee and Stakeholders' Relationship Committee of public companies including this listed entity are taken into account.
- Directors are not per se related to each other.
- Directors do not have any pecuniary relationship or transaction with the Company except receipt of remuneration by CMD and Functional Directors from the Company.
- None of the Director is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which she/he is a Director.

## III. BOARD LEVEL COMMITTEES OF DIRECTORS

### A. AUDIT COMMITTEE

#### 1. Composition

As on March 31, 2021 the Committee comprising of Dr. Jyoti Kiran Shukla (Chairperson), Shri Shyam Sunder Dubey, Shri Rajendra Chaudhari and Shri Neelesh Shah as members of the Committee. Representatives of Statutory Auditors are invited to attend and participate in the meetings on need basis. Other Directors, executives of finance and other departments are invited as and when required.

The composition of the Audit Committee is not as per the statutory provisions including Regulation 18 of the SEBI (LODR) Regulations, 2015 read with Section 177 of the Act, due to vacant position of five Independent Directors on the Board of NBCC w.e.f. June 16, 2019.

Presently, there is only one independent woman director (Dr. Jyoti Kiran Shukla) on the Board of the company who is also the Chairperson of Audit Committee. The Committee would be reconstituted on the appointment of Independent Directors on the Board of NBCC.



## 2. Meetings and Attendance:

Ten (10) Audit Committee Meetings were held during the financial year 2020-21 as follows:

| S No. | Date of Meeting    |
|-------|--------------------|
| 1     | May 4, 2020        |
| 2     | June 24, 2020      |
| 3     | July 6, 2020       |
| 4     | July 28, 2020      |
| 5     | August 14, 2020    |
| 6     | September 14, 2020 |
| 7     | October 29, 2020   |
| 8     | November 11, 2020  |
| 9     | February 3, 2021   |
| 10    | February 10, 2021  |

### Attendance during the Financial Year 2020-21:

| Name of the Director                         | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|--|-------------|--|-----------------------------------|
| Dr. Jyoti Kiran Shukla                       | Chairperson | 10   | 10                                |
| Shri Shyam Sunder Dubey                      | Member      | 10   | 08                                |
| Shri Rajendra Chaudhari (Up to June 9, 2021) | Member      | 10   | 09                                |
| Shri Neelesh Shah (Up to May 31, 2021)       | Member      | 10   | 09                                |

Chairperson of the Audit Committee was present at the AGM of the Company held on December 22, 2020.

## 3. Terms of Reference:

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

### As per Companies Act, 2013:

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

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the fixation of audit fees.
3. Recommendation for appointment, including the filling of casual vacancy, remuneration and terms of appointment of auditors of the Company;
4. Approval of services to be provided by the auditor;
5. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
6. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
7. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
8. Examination of the Financial Statement and the auditor's report thereon;
9. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
10. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
11. Approval or any subsequent modification of transactions of the Company with related parties;
12. Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions;
13. Scrutiny of inter-corporate loans and investments;
14. Valuation of undertakings or assets of the Company, wherever it is necessary;
15. Evaluation of internal financial controls and risk management systems;
16. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
18. Discussion with internal auditors of any significant findings and follow up there on;
19. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
20. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
21. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
22. To review the functioning of the whistle blower mechanism;
23. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

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

***The audit committee also review the following information:***

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

**B. NOMINATION AND REMUNERATION COMMITTEE**

**1. Composition**

As on March 31, 2021 the Committee comprising of Dr. Jyoti Kiran Shukla (Chairperson), Shri Kamran Rizvi, and Shri Shyam Sunder Dubey as members of the Committee.

However, the composition of the Nomination and Remuneration Committee is not as per the statutory provisions including Regulation 19 of the SEBI (LODR) Regulations, 2015 read with Section 178 of the Act, due to five vacant positions of Independent Directors on the Board of NBCC.

Presently, there is only one independent woman director (Dr. Jyoti Kiran Shukla) on the board of the company who is also the chairperson of Nomination and Remuneration Committee and appointment of other independent directors is awaited from the administrative ministry i.e. Ministry of Housing and Urban Affairs.

**2. Meetings and Attendance:**

One (1) Nomination and Remuneration Committee Meetings were held during the financial year 2020-21 as follows:

| S No. | Date of Meeting  |
|-------|------------------|
| 1     | February 5, 2021 |

Attendance during the Financial Year 2020-21:

| Name of the Director    | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|-------------------------|-------------|--|-----------------------------------|
| Dr. Jyoti Kiran Shukla  | Chairperson | 1  | 1                                 |
| Shri Kamran Rizvi       | Member      | 1  | 1                                 |
| Shri Shyam Sunder Dubey | Member      | 1  | 1                                 |

### 3. Terms of Reference

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

- To finalize the performance related pay (PRP) for the executives of the Company in terms of Department of Public Enterprises Guidelines;
- To identify persons in senior management in accordance with the criteria laid down, recommend to the Board, their appointment and removal;
- To formulate the criteria for determining qualifications, positive attributes and recommend to the Board, a policy relating to the remuneration for Key Managerial Personnel (KMP) and other employees.
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Devising a policy on diversity of Board of Directors;

### DIRECTORS' REMUNERATION:

1. Remuneration of Directors for the financial year ended March 31, 2021 is as follows:

#### A. Remuneration to Functional Directors:

(Amount in ₹)

| PARTICULAR  | Shri P K Gupta (CMD) | Shri Rajendra Chaudhari D(C) | Shri Neelesh Shah D(P) | Smt. B K Sokhey D(F) | Total              |
|---|----------------------|------------------------------|------------------------|----------------------|--------------------|
| <b>Gross Salary</b>   | 39,91,892            | 47,82,728                    | 44,32,421              | 39,05,464            | 1,71,12,505        |
| (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 |                      |                              |                        |                      |                    |
| (b) Value of perquisites u/s  | 7,92,280             | 1,96,773                     | 2,15,486               | 1,83,557             | 13,88,096          |
| (c) Profits in lieu of salary under section 17(3) Income-tax Act, 196               | -                    | -                            | -                      | -                    | -                  |
| Stock Option  | -                    | -                            | -                      | -                    | -                  |
| Sweat Equity  | -                    | -                            | -                      | -                    | -                  |
| Commission as % of profit   | -                    | -                            | -                      | -                    | -                  |
| E.P.F., Employers Pension, Contribution   | 5,85,491             | 6,06,523                     | 5,62,191               | 4,95,353             | 22,49,558          |
| Provisions for EI & HPL Leave Encashment, PRMB, Gratuity & PRP                      | 18,38,521            | 17,04,044                    | 15,80,159              | 13,92,302            | 65,15,026          |
| <b>Total</b>  | <b>72,08,184</b>     | <b>72,90,068</b>             | <b>67,90,257</b>       | <b>59,76,676</b>     | <b>2,72,65,185</b> |

## B. Remuneration to Other Directors:

(Amount in ₹)

| Particulars of Remuneration          | Dr. Jyoti Kiran Shukla |
|--------------------------------------|------------------------|
| Fee for attending Board Meetings     | 1,40,000               |
| Fee for attending Committee Meetings | 2,55,000               |
| Commissions                          | -                      |
| Others, Please Specify               | -                      |
| <b>Total</b>                         | <b>3,95,000</b>        |

### Other notes:-

- The Directors do not have any other material pecuniary relationship/transaction with the company. Non- executive part time non official (Independent) Directors are paid sitting fees of ₹ 20,000/- and ₹ 15,000/- for Board and Committee meetings respectively as per the terms & conditions for appointment of Independent Directors available on the website of the Company at <https://www.nbccindia.com>.
- Performance related pay (PRP) is paid to Whole-time (Functional) Directors based on the DPE Guidelines and policy of the Company.
- No remuneration has been paid to non-executive director during the period under review.
- The Company has not issued any Stock Options to its Directors/Employees.
- Service Contracts: The functional directors of the Company are governed with the NBCC's HR Policies and terms of appointment as issued by Government of India being the appointing authority. In case of Independent Directors, the terms and conditions are mentioned in the appointment letter available on the website of the Company at <https://www.nbccindia.com>.

## C. STAKEHOLDERS' RELATIONSHIP (SR) COMMITTEE

### 1. Composition

As on March 31, 2021 the Committee comprising of Dr. Jyoti Kiran Shukla (Chairperson), Shri Rajendra Chaudhari, Shri Neelesh Shah, and Smt. B.K. Sokhey as members of the Committee.

### 2. Meetings and Attendance

During the Financial year 2020-21, One (1) SR Committee meeting was held i.e. on March 17, 2021.

Attendance during the Financial Year 2020-21:-

| Name of the Director                        | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|---|-------------|--|-----------------------------------|
| Dr. Jyoti Kiran Shukla                      | Chairperson | 1  | 1                                 |
| Shri Rajendra Chaudhari (Upto June 9, 2021) | Member      | 1  | 1                                 |
| Shri Neelesh Shah (Upto May 31, 2021)       | Member      | 1  | 1                                 |
| Smt. B K Sokhey                             | Member      | 1  | 1                                 |

### 3. Terms of Reference

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

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### 4. Compliance Officer

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

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

|   |   |
|---|---|
| Number of Shareholders' Queries/Complaints received during the year           | 2 |
| Number of Shareholders' Complaints solved to the satisfaction of Shareholders | 2 |
| Number of Shareholders Complaints pending as on March 31, 2021                | 0 |

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

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

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

#### 1. Composition

As on March 31, 2021, the Committee comprising of Shri Rajendra Chaudhari (Chairman), Shri Neelesh Shah, Smt. B.K. Sokhey and Dr. Jyoti Kiran Shukla, as members of the Committee.

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

#### 2. Meetings and Attendance:

The Committee held one (1) meeting during the financial year 2020-21 as follows:

| S No. | Date of Meeting   |
|-------|-------------------|
| 1     | September 7, 2020 |

Attendance during the Financial Year 2020-21:-

| Name of the Directors                       | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|---|-------------|--|-----------------------------------|
| Shri Rajendra Chaudhari (Upto June 9, 2021) | Chairman    | 1  | 1                                 |
| Dr. Jyoti Kiran Shukla                      | Member      | 1  | 1                                 |
| Shri Neelesh Shah (Upto May 31, 2021)       | Member      | 1  | 1                                 |
| Smt. B K Sokhey                             | Member      | 1  | 1                                 |

#### 3. Terms of Reference

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

### E. FUNCTIONAL MANAGEMENT COMMITTEE

#### 1. Composition

As on March 31, 2021, the Committee comprised of all functional directors as members under the chairmanship of Chairman & Managing Director with concerned HODs and the Company Secretary as the Member Secretary of the Committee.

## 2. Meetings and Attendance:

The Committee held Seventeen (17) meetings during the financial year 2020-21 as follows:

| S No. | Date of Meeting   |
|-------|-------------------|
| 1     | May 26, 2020      |
| 2     | July 14, 2020     |
| 3     | July 21, 2020     |
| 4     | July 27, 2020     |
| 5     | July 31, 2020     |
| 6     | August 19, 2020   |
| 7     | August 21, 2020   |
| 8     | August 31, 2020   |
| 9     | October 1, 2020   |
| 10    | October 20, 2020  |
| 11    | November 12, 2020 |
| 12    | November 13, 2020 |
| 13    | December 16, 2020 |
| 14    | December 17, 2020 |
| 15    | January 1, 2021   |
| 16    | January 3, 2021   |
| 17    | March 26, 2021    |

Attendance during the Financial Year 2020-21:-

| Name of the Directors                        | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|--|-------------|--|-----------------------------------|
| Shri P K Gupta                               | Chairman    | 17   | 17                                |
| Shri Rajendra Chaudhari (Upto June 09, 2021) | Member      | 17   | 17                                |
| Shri Neelesh Shah (Up to May 31, 2021)       | Member      | 17   | 17                                |
| Smt. B K Sokhey                              | Member      | 17   | 17                                |

## 3. Terms of Reference

To grant approval for the sub-packaging of projects and award of contracts of estimated value above Rs 250 crore and any other matter as may be referred by the Chairman & Managing Director considering functional and operational requirements of the Company from time to time.

## F. RISK MANAGEMENT COMMITTEE

### 1. Composition

As on March 31, 2021, the Committee comprising of Shri Rajendra Chaudhari (Chairman), Shri Neelesh Shah, Smt. B.K. Sokhey and Dr. Jyoti Kiran Shukla as members of the Committee. Chief Risk Officer is the member secretary of the Committee.

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

### 2. Meetings and Attendance:

The Committee held one (1) meeting during Financial Year 2020-21 as follows:

| S No. | Date of Meeting |
|-------|-----------------|
| 1     | July 29, 2020   |

Attendance during the Financial Year 2020-21:

| Name of the Directors                       | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|---|-------------|--|-----------------------------------|
| Shri Rajendra Chaudhari (Upto June 9, 2021) | Chairman    | 1  | 1                                 |
| Dr. Jyoti Kiran Shukla                      | Member      | 1  | 1                                 |
| Shri Neelesh Shah (Up to May 31, 2021)      | Member      | 1  | 1                                 |
| Smt. B K Sokhey                             | Member      | 1  | 1                                 |

### 3. Terms of Reference

Terms of reference of the Committee are as follows:

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

## G. GRIEVANCE RESOLUTION COMMITTEE FOR CONTRACTORS, CONSULTANTS ETC.

### 1. Composition

As on March 31, 2021 the Committee comprising of Dr. Jyoti Kiran Shukla (Chairperson), Shri Rajendra Chaudhari, Shri Neelesh Shah and Smt. B.K. Sokhey as members of the Committee.

Nodal Officer Contractors' Grievance is the member secretary of the Committee.

However said Committee has been dissolved w.e.f. June 23, 2021.

### 2. Meetings and Attendance

There was no committee meeting held during the financial year 2020-21.

### 3. Terms of Reference

The Committee reviews and resolve all the unsettled grievances of contractors, consultants etc and to recommend the actions to be taken against the defaulter employees/ consultants/ contractors etc.

## I. RESEARCH & DEVELOPMENT COMMITTEE

### 1. Composition

As on March 31, 2021 the Committee comprising of Shri Rajendra Chaudhari (Chairman), Shri Neelesh Shah, Smt. B.K. Sokhey and Dr. Jyoti Kiran Shukla as members of the Committee.

### 2. Meetings and Attendance

The Committee held two (2) meeting during the financial year 2020-21 as follows:

| S No. | Date of Meeting   |
|-------|-------------------|
| 1     | September 8, 2020 |
| 2     | January 27, 2021  |

Attendance during the Financial Year 2020-21:-

| Name of the Directors                       | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|---|-------------|--|-----------------------------------|
| Shri Rajendra Chaudhari (Upto June 9, 2021) | Chairman    | 2  | 2                                 |
| Shri Neelesh Shah (Up to May 31, 2021)      | Member      | 2  | 2                                 |
| Smt. B K Sokhey                             | Member      | 2  | 1                                 |
| Dr. Jyoti Kiran Shukla                      | Member      | 2  | 2                                 |



### 3. Terms of Reference

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

## J. GROUP GOVERNANCE COMMITTEE

### 1. Composition

As on March 31, 2021 the Committee comprises of Shri P K Gupta (Chairman), Shri Rajendra Chaudhari, Shri Neelesh Shah and Smt. B.K. Sokhey as members of the Committee.

### 2. Meetings and Attendance:

The Committee held one (1) meeting during the year 2020-21 i.e. on October 23, 2020.

Attendance during the Financial Year 2020-21:-

| Name of the Directors                        | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|--|-------------|--|-----------------------------------|
| Shri P K Gupta                               | Chairman    | 1  | 1                                 |
| Shri Rajendra Chaudhari (till June 09, 2021) | Member      | 1  | 1                                 |
| Shri Neelesh Shah (till May 31, 2021)        | Member      | 1  | 1                                 |
| Smt. B K Sokhey                              | Member      | 1  | 1                                 |

### 3. Terms of Reference

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

## K. HUMAN RESOURCE (HR) COMMITTEE OF DIRECTORS

### 1. Composition

As on March 31, 2021 the Human Resource Committee of Directors comprising of Shri Pawan Kumar Gupta (Chairman), Shri Rajendra Chaudhari, Shri Neelesh Shah, Smt. B. K. Sokhey and Dr. Jyoti Kiran Shukla.

### 2. Meetings and Attendance:

The Committee held one (1) meeting during the year 2020-21 i.e. on July 30, 2020.

Attendance during the Financial Year 2020-21:

| Name of the Directors                        | Designation | No. of meetings held during his/her tenure | No. of Committee meeting attended |
|--|-------------|--|-----------------------------------|
| Shri P K Gupta                               | Chairman    | 1  | 1                                 |
| Shri Rajendra Chaudhari (Up to June 9, 2021) | Member      | 1  | 1                                 |
| Shri Neelesh Shah (Up to May 31, 2021)       | Member      | 1  | 1                                 |
| Smt. B K Sokhey                              | Member      | 1  | 1                                 |
| Dr. Jyoti Kiran Shukla                       | Member      | 1  | 1                                 |

### 3. Terms of Reference

To review the issues concerning human resource planning and management, HR policies, initiatives and other HR issues as may be referred to it by CMD from time to time.

#### OTHER FUNCTIONAL COMMITTEES

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

#### IV. SUBSIDIARIES AND ASSOCIATES

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

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

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

- **NBCC Services Limited (NSL):** A wholly owned subsidiary company “NBCC Services Limited” having Registered Office at New Delhi, had been incorporated on October 16, 2014 with main objective to undertake maintenance work and to act as Execution and Implementation Agency for CSR Projects and related activities on behalf of its own or for any other Govt. Undertakings/Semi Govt. Undertakings/ Body Corporates/ Societies/Trusts/ Private Institutions/NGOs or any other concern. It has also been mandated to act as an execution and implementation agency for sustainability projects, heritage building restoration works etc.
- **NBCC Engineering & Consultancy Limited (NECL):** A wholly owned subsidiary company named “NBCC Engineering & Consultancy Limited” has been incorporated on December 15, 2015 by NBCC. The Company was incorporated to render consultancy to Government and private organizations. Presently, NECL is in process of closure pursuant to the approval of the Administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA) dated June 16, 2020. NECL has commenced its voluntarily liquidation on February 19, 2021.
- **NBCC International Limited (NIL):** It was incorporated on July 5, 2017 as wholly owned subsidiary of NBCC. It was incorporated to carry out the business in overseas countries. The idea of formation of “NBCC International Limited” was to create dedicated operating structure for greater diversification, increased efficiencies and effective control. Presently NIL is in process of closure through merger with holding Company i.e. NBCC.
- **NBCC Environment Engineering Limited (NEEL):** It was incorporated on July 10, 2017 as wholly owned subsidiary of NBCC. It was incorporated to carry out the business in the field of environment and sustainability. The idea of formation of “NBCC Environment Engineering Ltd.” was to create dedicated operating structure for greater diversification, increased efficiencies and effective control. Presently NEEL is in process of closure through merger with holding Company i.e. NBCC.
- **Hindustan Steelworks Construction Limited (HSCL):** HSCL was established in 1964 as a construction organization under the Ministry of Steel, Govt of India. It diversified into a versatile infrastructure portfolio all over the country. It became the major player in implementation of integrated steel plants. HSCL has become a Subsidiary of NBCC w.e.f April 1, 2017.
- **HSCC (India) Limited:** Set up in 1983, HSCC is one of the few organization in South East Asia, rendering comprehensive range of professional consultancy services in health-care and other social sectors, in India and abroad. HSCC is a pluri-disciplinary organisation with experienced professionals (i.e. health planners and economists, doctors, biomedical engineers, computer experts, pharmacists, architects and public health engineers etc) on rolls and a network of consultants specialized in various activities associated with health systems. NBCC acquired HSCC on December 24, 2018.
- **NBCC Gulf LLC:** A Limited Liability Company (LLC) in the Sultanate of Oman where NBCC’s equity participation is 70% of the total holding has been incorporated on July 13, 2015 with objective to carry out building and civil construction activities in Gulf Countries. NBCC Gulf LLC was voluntarily liquidated on June 20, 2021.
- **Real Estate Development & Construction Corporation of Rajasthan Limited (REDCCOR):** NBCC formed a joint venture company with Government of Rajasthan on September 07, 2015 under the Companies Act, 2013 with an objective to undertake various construction and re-developmental projects in the state of Rajasthan.
- **NBCC DWC-LLC:** Incorporated on December 24, 2018 in Dubai, NBCC-DWC LLC is the wholly owned subsidiary of NBCC. It was incorporated with the object of carrying out all such business as Dubai aviation city may permit.

## V. GENERAL BODY MEETINGS

### 1. Annual General Meetings

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

| Year | Location                                     | Date               | Time     | Special Resolution Passed |
|------|--|--------------------|----------|---------------------------|
| 2020 | 60 <sup>th</sup> AGM through VC/OAVM         | December 22, 2020  | 1200 hrs | NIL                       |
| 2019 | 59 <sup>th</sup> AGM at Air Force Auditorium | September 23, 2019 | 1030 hrs | NIL                       |
| 2018 | 58 <sup>th</sup> AGM at Manekshaw Auditorium | September 14, 2018 | 1030 hrs | NIL                       |

### 2. Postal Ballot

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing through postal ballot. Further, during the FY 2020-21, there was not any business transacted through postal ballot which required to be passed by special resolution.

## VI. MEANS OF COMMUNICATION

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

- a. **Annual Report:** Annual Report contains inter-alia Directors' Report, Auditors' Report, Audited Financial Statements (Standalone and Consolidated) of Company. The Management Discussion and Analysis Report forms part of the Annual Report and appear on the website of the Company.
- b. **Website:** The Company's website [www.nbccindia.com](http://www.nbccindia.com) is a comprehensive reference on NBCC's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on 'Investor' serves to inform the shareholders, by giving complete quarterly and annual financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, news releases and presentations made to financial analysts and institutional investors etc.
- c. **Quarterly Results:** Unaudited quarterly financial results and the annual audited financial results of the Company are sent to the Stock Exchanges i.e. BSE & NSE where equity shares of the Company are listed and the same are published in newspapers and uploaded on Company's website.  
Normally quarterly, half yearly and annual results are published in Business Standard newspapers (English & Hindi Edition)
- d. **Intimation to Stock Exchanges:** The Company is timely submitting all the price sensitive information, statements and reports and other required information, on the online portals of stock exchanges where Company is listed.
- e. **News Release, Institutional Investors Presentations:** The Company display news release on event basis. These are available on Company's website [www.nbccindia.com](http://www.nbccindia.com).
- f. **Communication to shareholders on email:** Documents like Notices, Annual Report, ECS advices for dividends, etc. are sent to the shareholders at their email address, registered with their Depository Participants/ Company/ RTA to ensure prompt delivery of document, less paper consumption, save trees and avoid loss of documents in transit.
- g. **NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre:** National Stock Exchange of India Ltd. (NSE) and BSE Limited has designed NEAPS and Listing centre respectively- a web based application for corporates listed at NSE. Shareholding Pattern, Corporate Governance Report results of every Quarter, price sensitive information etc are filed by Company electronically on NEAPS and BSE listing Centre.
- h. **SEBI Complaint Redress System (SCORES)** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Report( ATR) by the Company and online viewing by the investors of actions taken on the complaints and its current status.
- i. **Exclusive email ID for investors:** The Company has designated the email id [investors@nbccindia.com](mailto:investors@nbccindia.com) exclusively for investor servicing and the same is prominently displayed on the Company's website [www.nbccindia.com](http://www.nbccindia.com).

## VII. GENERAL INFORMATION FOR SHAREHOLDERS

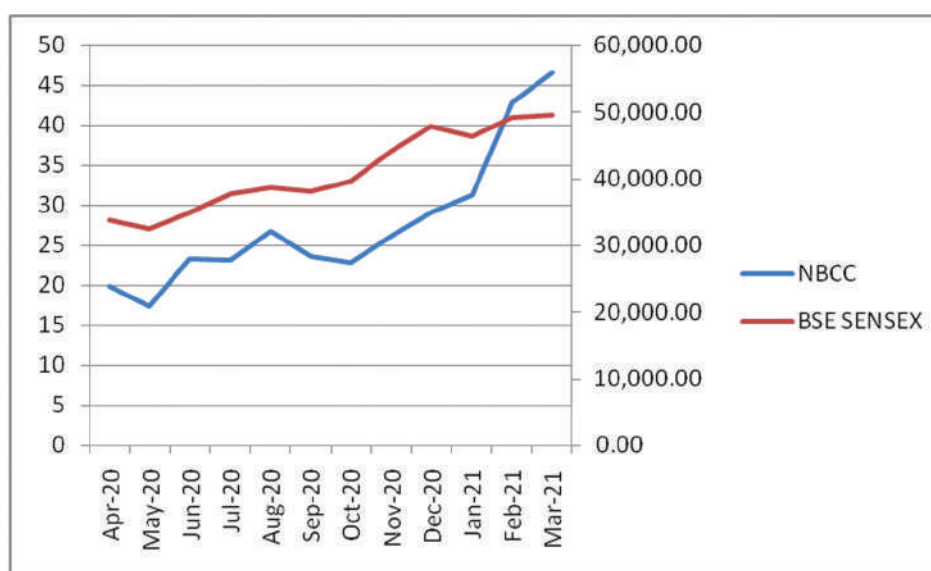
|    |  |   |
|----|--|---|
| a. | Company Registration Details   | <b>CIN- L74899DL1960GOI003335</b>   |
| b. | 61 <sup>st</sup> Annual General Meeting : Date, Time and Venue/mode  | <b>September 30, 2021 at 2.00 PM through VC/OAVM (Regd. Office of the Company shall be deemed to be the venue of the meeting)</b> |
| c. | Financial year   | <b>April 1, 2020 to March 31, 2021</b>  |
| d. | Financial Calendar for 2020-2021*<br>Results for Quarter ended June 30, 2020<br>Results for Quarter ended September 30, 2020<br>Results for Quarter ending December 31, 2020<br>Results for Year ending March 31, 2021<br>* the dates may change subject to relaxation by authorities due to COVID-19 Pandemic | <b>on August 13, 2021<br/>by November 14, 2021<br/>by February 14, 2022<br/>by the end of May, 2022</b>                           |
| e. | Book Closure/Record Date   | <b>September 23, 2021</b>   |
| f. | Dividend Payment Date  | On or before October 30, 2021   |
| g. | Listing on Stock Exchanges & Stock Code<br>The Company is listed at following Stock Exchanges:-<br>a. BSE Ltd<br>Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001   | (Stock Code: 534309)  |
|    | b. National Stock Exchange of India Ltd.<br>Exchange Plaza, 5th Floor, Plot No. C/1,G Block, Bandra –Kurla Complex<br>Bandra (E), Mumbai-400051  | (Stock Code: Symbol-NBCC, Series – EQ)  |
|    | c. The Annual listing fee for FY 2020-21   | Duly paid to both the Stock Exchanges i.e.NSE & BSE   |
|    | d. Demat ISIN Number for NSDL & CDSL –   | <b>INE095N01031</b>   |

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

(in ₹)

| Months         | High  | Low   | Months        | High  | Low   |
|----------------|-------|-------|---------------|-------|-------|
| April 2020     | 25.90 | 15.95 | October 2020  | 24.25 | 22.25 |
| May 2020       | 19.85 | 16.80 | November 2020 | 26.75 | 22.35 |
| June 2020      | 25.95 | 17.50 | December 2020 | 32.45 | 25.60 |
| July 2020      | 28.40 | 23.00 | January 2021  | 34.15 | 29.10 |
| August 2020    | 30.40 | 22.55 | February 2021 | 43.95 | 30.95 |
| September 2020 | 28.90 | 22.70 | March 2021    | 54.00 | 40.20 |

j. Stock Performance in comparison to broad-based indices such as BSE SENSEX for the financial year 2020-21



k. Distribution of Shareholding as on March 31, 2021

| No. of shares | SHAREHOLDERS  |                 | SHAREHOLDING         |                 |
|---------------|---------------|-----------------|----------------------|-----------------|
|               | Number        | % to total      | Number               | % to total      |
| 1-5000        | 473783        | 97.5951         | 227396808            | 12.6332         |
| 5001-10000    | 7117          | 1.4660          | 53020002             | 2.9456          |
| 10001-20000   | 2664          | 0.5488          | 38359241             | 2.1311          |
| 20001-30000   | 794           | 0.1636          | 19915707             | 1.1064          |
| 30001-40000   | 316           | 0.0651          | 11266478             | 0.6259          |
| 40001-50000   | 204           | 0.0420          | 9538646              | 0.5299          |
| 50001-100000  | 340           | 0.0700          | 24568778             | 1.3649          |
| 10001 & above | 240           | 0.0494          | 1415934340           | 78.6630         |
| <b>TOTAL</b>  | <b>485458</b> | <b>100.0000</b> | <b>180,00,00,000</b> | <b>100.0000</b> |

## I. Shareholding Pattern as on March 31, 2021

| Category  | No. of Shareholders | No. of Shares held    | % of Paid up capital |
|---|---------------------|-----------------------|----------------------|
| President of India (Government of India)                        | 1                   | 1,11,15,79,093        | 61.75                |
| Mutual Funds/UTI  | 9                   | 6,20,79,515           | 3.45                 |
| Financial Institution/ Banks                                    | 7                   | 1,29,429,486          | 7.19                 |
| FII's/FPIs  | 80                  | 5,34,51,827           | 2.97                 |
| Body Corporates /Trust  | 1,167               | 23,271,130            | 1.30                 |
| Individuals/Public/Clearing Member/HUF/IEPF/insurance Companies | 4,78,939            | 4,04,595,653          | 22.47                |
| NRI   | 4,829               | 1,38,83,206           | 0.77                 |
| Employees   | 426                 | 17,10,090             | 0.10                 |
| <b>TOTAL</b>  | <b>4,85,458</b>     | <b>1,80,00,00,000</b> | <b>100</b>           |

|   |   |
|---|---|
| <b>m. Registrar &amp; Share Transfer Agent (For both Physical &amp; Electronic Transfer etc.)</b> | <b>M/s Bigshare Services Pvt Ltd.</b><br>Branch Office: 302, Kushal Bazar, 32-33, Nehru Place New Delhi- 110019.<br>Regd Office: E-2& 3, Ansa Industrial Estate, Saki Vihar, Sakinaka, Andheri (E), Mumbai-400072 |
| <b>n. Dematerialization of shares and liquidity</b>   | As on March 31, 2021,<br>99.99% of the Paid-up equity share capital was in dematerialized Form  |
| <b>o. Address for Correspondence</b>  | <b>Smt. Deepti Gambhir</b><br>Company Secretary<br>NBCC Bhawan, Lodhi Road,<br>New Delhi-110003.<br>E-mail : co.sectt@nbccindia.com<br>Phone No: 011-24367314-17<br>(Extn 1874)                                   |

- p. Securities were not suspended from trading during the Financial Year 2020-21.
- q. There was no GDRs/ADRs/warrants/convertible instrument outstanding as on March 31, 2021.
- r. Commodity price risk or Foreign exchange risk and hedging activities: The Company is subject to commodity price risks due to fluctuation in prices of raw material used in company's projects. The Company has in place a robust risk management frame work for identification and monitoring and mitigation of all kinds of risk.
- s. Plants Locations: Plants and equipments are located at projects sites of the Company during the execution of the Projects.
- t. The Company get the rating of AA (-) from CRISIL.

## VIII. OTHER DISCLOSURE

### 1. Materially significant related party transactions

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

### 2. Whistle Blower Policy

The Company has Vigil mechanism and whistle blower policy to report violations of applicable laws and regulations and the same is available at its website at [www.nbccindia.com](http://www.nbccindia.com). Employees may also report to Chairman, Audit Committee and no one is denied access by the Audit Committee.

### 3. Dividend Distribution Policy

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

4. The company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance except the provisions of composition of Board, Audit Committee and Nomination and Remuneration Committee due to vacant position of five (5) Independent Directors as the tenure of the Independent Director completed on June 15, 2019. Further, NBCC (India) Limited being a listed Government Company, the power to appoint functional/ Official Part-time Directors/ non-Official Part-time Directors (Independent Directors) vests with the Government of India.
5. The Company has a material subsidiary as on March 31, 2021 namely, HSCC (India) Limited; a Policy on Determining Material Subsidiary is available on the weblink at [http://www.nbccindia.com/pdfData/policies/NBCC\\_Policy\\_on\\_Material\\_Subsidiary\\_01.04.2019.pdf](http://www.nbccindia.com/pdfData/policies/NBCC_Policy_on_Material_Subsidiary_01.04.2019.pdf). Since, NBCC is a Government Company; the power to appoint the Directors on the Board of Company is vested with President of India through administrative ministry i.e. Ministry of Housing and Urban Affairs (MoHUA). Accordingly, NBCC requested administrative ministry to appoint the Independent Director of NBCC on the Board of HSCC and accordingly the administrative ministry has appointed Dr. Jyoti Kiran Shukla, Independent Director, NBCC on the Board of HSCC w.e.f. April 27, 2020.
6. The Company has not raised money through preferential allotment or qualified institution placement as specified under the regulation 32 (7A).
7. M/s. Dhawan & Co., Chartered Accountants (Firm Registration No. 002864N) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis for the FY 2020-21 is given below:

(₹ in lakh)

| Particular               | Amount       |
|--------------------------|--------------|
| Audit Fee                | 23.00        |
| Tax Audit                | 5.50         |
| Quarterly Limited Review | 15.00        |
| Corporate Governance     | 2.50         |
| Reimbursement of Fee     | 1.91         |
| <b>Total</b>             | <b>47.91</b> |

8. The Details of complaints filed, disposed-off and pending during the financial year pertaining to sexual harassment is provided in the Business Responsibility Report of this Annual Report.
9. In accordance with the Instruction issued by DPE vide its OM No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3 August, 2017, OM No. W-025/0028/2017-DPE(WC)-GL-XIV/17 dated 4 August, 2017, the Company implemented the directions as notified, by Third (3) Pay Revision Committee w.e.f. 01.01.2017.
10. Presidential directives issued by Central Govt. are complied with to the extent applicable.
11. Details of Audit Qualifications:- Auditor's Report on the Financial Statements (Standalone & Consolidated) may be referred.
12. There is no expenditure debited in the books of accounts, which are not for the purposes of the business during the financial year ended March 31, 2021.
13. There is no expense incurred by the Company for the financial year ended March 31, 2021, which is personal in nature and incurred for the Board of Directors and top management.
14. Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reasons for increase:

(₹ in lakh)

| S No. | Particulars  | FY 2020-21  | FY 2019-20  |
|-------|--|-------------|-------------|
| 1     | Administrative and office expenses (A)   | 9042.37     | 14,243.81   |
| 2     | Total Expenses (B)   | 4,87,563.14 | 5,20,414.66 |
| 3     | Administrative and office expenses as a percentage of total expenses (C=A/B*100) | 1.85%       | 2.73%       |
| 4     | Financial expenses (D)   | 660.08      | 666.02      |
| 5     | Financial expenses as a percentage of total expenses (E=D/B*100)                 | 0.14        | 0.13%       |

- IX.** The Company has complied with the requirements of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- X.** The Company has complied with corporate governance requirement specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in its annual report except the provisions of composition of Board, Audit Committee and Nomination and Remuneration Committee due to completion of the tenure of the Six Independent Director of the company on June 15, 2019.

Further, NBCC (India) Limited being a listed Government Company the power to appoint functional/ Official Part-time Directors/ non-Official Part-time Directors (Independent Directors) vests with the Government of India.

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

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Accordingly, the final dividend declared for the financial year 2013-14 on September 14, 2014, which remained unclaimed for seven years and the corresponding shares on which dividend was unclaimed for seven consecutive years are due to be transferred to the IEPF on or after October 20, 2021. As on March 31, 2021, the unpaid and unclaimed dividend amount of ₹ 123,580/- is required to be transferred to the Investor Education and Protection Fund ("IEPF").

The Company has communicated individually to the concerned shareholders whose shares are liable to be transferred to IEPF Authority for taking appropriate action(s) and the details of such shareholders are uploaded on the website of the Company at <https://www.nbccindia.com/webEnglish/IEPFTransfer> and also published public notice in this regard in the newspapers (English & Hindi) on July 14, 2021.

Further during the year 2020-21, the Company transferred the remaining unpaid/unclaimed dividend amount of ₹ 52,323.75/- with respect to financial year 2012-13 and the corresponding shares on the dividend amounts which are not claimed in seven consecutive years had also been transferred to IEPF within the statutory time period.

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

Further, the company does not have any shares in the Demat Suspense Account.

#### **XII. CEO/CFO CERTIFICATION**

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

#### **XIII. DISCRETIONARY REQUIREMENTS**

The following discretionary requirements have been implemented by the Company:

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



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

#### XIV. CERTIFICATE ON DIRECTORS DISQUALIFICATION

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

#### XV. COMPLIANCES

No penalties/ strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital market and guidelines issued by the Government except by Stock exchanges for composition of Board, Audit Committee and Nomination and Remuneration Committee which are not as per SEBI (LODR) Regulations, 2015. Further, BSE waived-off the aforesaid penalty and matter is also taking up with NSE as the appointment of Directors in Government Company is made by the Administrative Ministry only.

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

During the financial year 2020-21 the Company was in general compliant of corporate governance requirements and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 for their respective period except those compliances as have been mentioned in Corporate Governance Compliance Certificate and the Secretarial Audit Report.

#### Declaration

I, Pawan Kumar Gupta, Chairman & Managing Director of NBCC (India) Limited, do hereby declare that all the board members and senior management personnel have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2021.

Sd/-

**Pawan Kumar Gupta**

Chairman & Managing Director

(DIN : 07698337)

Place: New Delhi

Date: September 07, 2021



## CEO/CFO Certification

- To  
Board of Directors  
NBCC (India) Limited
- We, Pawan Kumar Gupta, Chairman & Managing Director and B.K. Sokhey, Chief Financial Officer do hereby certify that:
- We have reviewed financial statements and the cash flow statement for the financial year 2020-21 and that to the best of our knowledge and belief:
    - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
  - There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
  - We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  - We have indicated to the auditors and the audit committee:
    - That there are no significant changes in internal control over financial reporting;
    - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    - That there are no instances of significant fraud of which we have become aware.

Sd/-

**Pawan Kumar Gupta**

Chairman & Managing Director  
(DIN : 07698337)

Sd/-

**B. K. Sokhey**

Director (Finance) & Chief Financial Officer  
(DIN : 06955670)

Place: New Delhi

Date: June 29, 2021



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

The Members of

NBCC (India) Limited

CIN : L74899DL1960GOI003335

NBCC Bhawan, Lodhi Road, New Delhi-110003

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/ officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended as on 31st March, 2021 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 Director         | DIN      | Date of appointment in the Company |
|-------|--------------------------|----------|------------------------------------|
| 1     | Pawan Kumar Gupta        | 07698337 | 07.10.2019                         |
| 2     | Rajendra Chaudhari*      | 07151492 | 10.06.2015                         |
| 3     | Neelesh Manherlal Shah** | 07444898 | 13.02.2018                         |
| 4     | Baldev Kaur Sokhey       | 06955670 | 19.08.2019                         |
| 5     | Kamran Rizvi             | 01653503 | 03.01.2020                         |
| 6     | Shyam Sunder Dubey       | 06601151 | 06.08.2019                         |
| 7     | Jyoti Kiran Shukla       | 03492315 | 01.08.2019                         |

\*Ceased as Director w.e.f. 09.06.2021

\*\*Ceased as Director w.e.f. 31.05.2021

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

For **P.C. Jain & Co.**,  
Company Secretaries,  
(FRN: P2016HR051300)

Sd/-  
(P.C. Jain)

**Managing Partner**

CP No. 3349

M No. 4103

Place: Faridabad

Date: June 24, 2021

UDIN: F004103C000508376



## Auditor's Certificate on Corporate Governance

To,

### The Members of NBCC (India) Limited

We, Dhawan & Co., Chartered Accountants, the Statutory Auditors of NBCC (India) Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the company for the year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (collectively referred to as "SEBI Listing Regulations").

### Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the condition of the corporate governance stipulated in the SEBI Listing Regulations.

### Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have carried out an examination of the relevant records of the company in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us 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) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021 except the composition of the board which is not as per the statutory provisions including regulation 17 of the SEBI (LODR) regulations read with Section 149 of the Companies Act, 2013 as amended (Refer point II.1 of the Corporate Governance Report) resulting in consequential non compliance of Regulation 17 (1)(a) and Regulation 17 (1) (b) and also imposition of penalty by NSE for the period ended September 2019 to June 2020, for which waive request of the company is still under consideration of NSE.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

### For Dhawan & Co.

Chartered Accountants

Firm's Registration Number: 002864N

Sd/-

Sunil Gogia

[Partner]

Membership Number: 073740

ICAI UDIN: 21073740AAAACV8280

Place : Delhi

Date : September 06, 2021



## Management's Reply to Auditors' Opinion on the Corporate Governance Report (FY 2020-21)

The Statutory Auditors has given their opinion on the Corporate Governance Report of the Company on which management reply is as follows:

| S No. | Auditor's Opinion  | Management's Reply  |
|-------|--|---|
| 1     | Based on our examination of the relevant records and according to the information and explanations provided to us 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) of sub-regulation (2) of regulation 46 and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021 except the composition of the board which is not as per the statutory provisions including regulation 17 of the SEBI (LODR) regulations read with Section 149 of the Companies Act, 2013 as amended (Refer point II.1 of the Corporate Governance Report) resulting in consequential non compliance of Regulation 17 (1)(a) and Regulation 17 (1)(b) and also imposition of penalty by NSE for the period ended September 2019 to June 2020, for which waive request of the company is still under consideration of NSE. | <p>NBCC (India) Limited being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional/ Official Part-time Directors/ non-Official Part-time Directors (Independent Directors) vests with the President of India through Administrative Ministry i.e. Ministry of Housing and Urban Affairs.</p> <p>The position of Six Independent Directors of the Company got vacant due to completion of their tenures on June 15, 2019.</p> <p>In view of the above, requests have been made from time to time to the Administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA) and presently only One Independent Woman Director (Dr. Jyoti Kiran Shukla) has been appointed with effect from August 1, 2019 and appointment of other five Independent Directors is awaited from the Ministry.</p> <p>Therefore, due to non appointment of requisite number of Independent Directors, the composition of Board, Audit Committee and NRC Committee is not as per the provisions of regulation 17, 18 and 19 of SEBI (LODR), 2015, respectively, DPE guidelines on Corporate Governance and Companies Act, 2013.</p> <p>Since, the appointment of Directors is done by Administrative Ministry it is beyond the control of the Company.</p> <p>Further, NBCC has also been written letters to NSE and BSE various times to waive off the penalty/fines imposed on the aforesaid non-compliances.</p> <p>Accordingly, BSE waived off the penalty and fines levied for the quarter ended September 2019 to June 2020. However, the matter is under consideration of NSE.</p> |

Place: New Delhi  
Date : September 07, 2021

Sd/-  
**(Pawan Kumar Gupta)**  
Chairman & Managing Director  
DIN-07698337



## AOC-2

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

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

1. Details of contracts / arrangements or transactions entered in the ordinary course of business but not at arms length basis for the FY 2021-21 : Nil
2. Details of contracts / arrangements or transactions at arms length basis for the FY 2020-21

| Name of Related Party and Nature of Contract  | Relationship            | Duration of Contract  | Salient Features             | Amount (₹ in lakh) |
|---|-------------------------|-----------------------|------------------------------|--------------------|
| NBCC Services Limited                         | Wholly Owned Subsidiary | As per Agreement      | Sale of Service              | 3142.90            |
|   |                         |                       | Purchase of service          | 185.78             |
| NBCC Engineering Consultancy Services Limited | Wholly Owned Subsidiary | As per Agreement      | Lease Rent Received          | 2.38               |
| NBCC International Limited                    | Wholly Owned Subsidiary | As per Rent Agreement | Rent Received                | 1.65               |
| NBCC Environment Engineering Limited          | Wholly Owned Subsidiary | As per Rent Agreement | Rent Received                | 1.65               |
| HSCC (India) Limited                          | Wholly Owned Subsidiary | As per Agreement      | Sale of Service              | 55.31              |
|   |                         | As per Agreement      | Advance Maintenance Fees     | 165.94             |
| Hindustan Steelworks Construction Limited     | Subsidiary              | As per Agreement      | Purchase of service          | 155.60             |
|   |                         | As per Agreement      | Advance Maintenance Fees     | 54.20              |
|   |                         | As per Agreement      | Sale of Real Estate Property | 1,131.10           |

Place: New Delhi  
Date : September 07, 2021

Sd/-  
**(Pawan Kumar Gupta)**  
Chairman & Managing Director  
DIN-07698337



## NBCC (INDIA) LIMITED

### DIVIDEND DISTRIBUTION POLICY

#### 1.0 BACKGROUND

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

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

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

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

#### 2.0 POLICY

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

#### 3.0 FACTORS TO BE CONSIDERED WHILE DECLARING DIVIDEND

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

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

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

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

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

#### Internal Factors

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

##### i) Profit earned during the year

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

##### ii) Net Worth of the Company

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

**iii) Liquidity Position**

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

**iv) Tax on distribution of profit**

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

**v) Others**

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

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

## External Factors

**i) Economic Environment**

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

**ii) Capital Markets**

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

**iii) Statutory Provisions and Guidelines**

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

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

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

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

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

## 4.0 THE POLICY SHALL NOT APPLY TO:

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

## 5.0 MODIFICATIONS/ DEVIATIONS TO THE POLICY

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





## NBCC CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY DEVELOPMENT POLICY

### 1. SHORT TITLE AND DEFINITIONS

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

### CSR VISION

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

### CSR MISSION

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

### CSR OBJECTIVES

- To aim to provide quality education through scholarships, material support, academic support, infrastructural support, teaching aids, etc. majorly focusing on girl child, Scheduled Castes & Tribes and other backward communities
- To aim to provide healthcare services with focus on issues of health, hygiene and sanitation in remote and inaccessible rural as well as urban areas by devising focused strategies as per the needs of different areas
- To provide vocational/skill based trainings to underprivileged youth as per the local market employability / Entrepreneurship with job placements to ensure economic as well as social sustainability of the youth population and their families
- To develop necessary infrastructure in rural areas based on requirement supported with data and documentary evidence to enhance the quality of living

- To sensitise the company officials towards the CSR to imbibe socially responsible values in the DNA of the company through trainings, workshops, seminars, etc.
- To undertake CSR projects largely in and around NBCC project sites and offices (any other needy area or backward district can be taken up irrespective of operations of the company)
- To generate, through its CSR initiatives, a community goodwill for NBCC and help reinforce a positive and socially responsible image of NBCC as a corporate entity
- To ensure environmental sustainability.

## 2. FUNCTIONING OF NBCC'S CSR

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

## 3.0 FUNDING AND RESOURCE ALLOCATION

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

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

### 4.1 Thrust Areas

In order to channelize CSR resources in a focused and meaningful manner, following thrust areas in accordance to Schedule – VII of the Companies Act, 2013 have been identified by NBCC: I. Eradicating hunger, poverty and malnutrition; promoting health care including preventive health care and sanitation including contribution to the 'Swachh Bharat Kosh' set-up by the Central Government for the promotion of sanitation and making available safe drinking water; II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects; III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the 'Clean Ganga Fund' set-up by the Central Government for rejuvenation of river Ganga; V. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional and handicrafts; VI. Measures for the benefit of armed forces veterans, war widows and their dependents; VII. Promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports; VIII. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; IX. Contributions to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defense Research and Development Organisation

(DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs); X. Rural development projects; XI. Slum Development - any area decided as such by the Central Government or any State Government or any other Competent Authority under any law for the time being in force; XII. In line with the Ministry of Corporate Affairs (MCA) Circular No. 21/2014 dated 18.6.2014, one-off events such as marathons / awards / charitable contributions / advertisements / sponsorship of TV programs / events involving celebrities, specifically for entertainment purposes, etc. would not qualify as CSR Activities;

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

- 4.2 **Baseline Survey** : As a first step, to assess the impact of any project/programme/activity, there is a need to establish the base. This base establishment will help the company to see the changes after intervening in a specific area. Baseline Survey can be undertaken by an expert agency or by Company itself to assess the needs as well as establish the baseline information and statistics so as to allow a comparison of the 'then' and 'now' situation in the future. This will clearly show the 'impact' the project has created.
- 4.3 **Needs Assessment** : It is also important to conduct an unbiased needs assessment in the area prior to undertaking a CSR project in order to ascertain the specific needs, problems and relevant solutions from the community perspective, as also gain an understanding from the perspectives of the village / Distt. / State authorities.
- 4.4 **Proposal Evaluation** : A thorough evaluation of proposals should be conducted based on needs. For this purpose, only those proposals that are supported by data, documentary evidence, clearly indicating the need, preferably in thrust areas of the company or as decided by the Competent Authority / Board Level CSR Committee, shall be taken up. Also, there needs to be clear criterion to evaluate the reliability of the proposal as also adherence to the Companies Act, 2013 and adherence to NBCC CSR & SD Policy.
- 4.5 All the interventions made by company should be implemented in a project mode with clear objectives and goals mentioned. The goals should be laid on SMART principle which is: S = SPECIFIC M = MEASURABLE A = ATTAINABLE R = RELEVANT T = TIME BOUND
- 4.6 In exceptional cases where the interventions made by the company under CSR are not in project mode, and are one-time activities, the reason for doing so should be recorded in writing. These one-time activities should constitute only 5% of NBCC's total CSR spending for that year. Rest should be in project-mode as mentioned in section 4.4, Clause 4.2, 4.3 & 4.4
- 4.7 As the projects are related to socio-economic development and environmental protection, specialised agencies should be involved in designing and implementation of the same. In the absence of in-house expertise in social, economic and environmental areas, partnering with experts in the field is crucial to achieve NBCC's CSR vision, mission and objectives.
- 4.8 However, if there are projects related to company's core competency then company should use in-house expertise in implementing the same.
- 4.9 NBCC may support Central/State Government and district administration in order to dovetail and synergise with their programmes/projects by its initiatives in last mile approach.
- 4.10 Identification of CSR Projects / activities at Corporate / RBG / SBG / Zone level will be done by any one of or combination of the following :-
  - i. In-house planned projects - for selection of location preferably in local areas by respective HODs.
  - ii. Proposals from District Administration / Govt. Body / any other govt. agency

During identification / selection of the CSR Activity, an undertaking from District Administration / Govt. Body / any other govt. agency shall be obtained in prescribed format , placed at Annexure – A, that for the particular project / activity funding from some other agency has not been taken.

## 5.0 SELECTION CRITERION FOR SPECIALISED AGENCY

- 5.1 To identify the CSR Activities, RBG / SBG / ZO / Govt. agencies should forward a formal proposal with complete detail like name of work, availability of land, formal NOC letter from concerned department etc., approximate cost of Project along with line diagram plan, non-availability of fund in concerned department and recommendations of any other Govt. agencies etc. to CSR Cell, H.O. so that the same could be put up to Board Level CSR Committee for their comments and approval.
- 5.2 The Baseline / Need Assessment, proposal Evaluation, Mid-term Assessment & Impact Assessment for all the approved CSR Activities shall be carried out by Tata Institute of Social Sciences (TISS) NCSR Hub / any other Educational Institution/ by Company itself or otherwise as per requirement and as approved by the Board Level CSR Committee.

- 5.3 i. Care should be exercised in selecting specialised agencies which have the necessary competencies, expertise and capabilities to implement the projects. Duly empanelled list of Organizations available with National CSR Hub, TISS / any other Educational Institution can be availed to identify the credible partners for the implementation of NBCC's projects for conducting Baseline Survey and Implementation of Skill & Entrepreneurship Development Programs through NSDC Partners.
- ii. The Board of the Company may decide to undertake its CSR Activities approved by the Board Level CSR Committee through a Registered Trust or a Registered Society or a Company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act. Specialised agencies may include Government department, semi-government, autonomous Organizations, professional consultancy Organizations, registered Trusts / Missions, community based Organizations, self-help groups, not-for-profit Organizations, local bodies such as Panchayati Raj Institutions, Academic Institutions, recognized Body / Agency by the Government (Central / State)etc.
- iii In any other way in accordance with the Companies (Corporate Social Responsibility Policy) Rules 2014, eg. on its own.
- 5.4 i. The Implementation Agency can be finalised through normal tender procedure of NBCC by adopting NIT, GCC, Price Bid and other requirements after NIT approved from TSC members or any other Agency including NBCC Services Limited, a Subsidiary company of NBCC, approved by the Board Level CSR Committee.
- ii The Baseline Survey / Need Assessment / Proposal Evaluation, Mid – term Assessment & Impact Assessment Agency can be finalised, through normal procedure of NBCC by calling sealed quotation or agency finalised by the Board Level CSR Committee.
- 5.5 i. Once the projects/programmes/activities are approved and communicated to the approved agency, they will be required to enter into an agreement with each of the executing/implementing agency as per the NIT and Voluntary Organizations approved by Board Level CSR Committee.
- ii. After approval from Board Level CSR Committee /Board of Directors, the concerned RBG / SBG /Z.O. / Approved Agency should be fully responsible for timely completion, Quality of work, timely handing over and other legalities as per N.I.T. / MOU.
- 5.6 In case of project/programme execution by Voluntary Organizations, the following minimum criterion needs to be ensured: a. The Organization has a permanent office/address in India. b. The Organization is a registered society under Societies' Registration Act c. The Organization should have an established track record of at least three years in carrying out activities in related areas. d. The Organization should possess a valid income-tax exemption certificate. e. The antecedents of the Organization are verifiable / subject to confirmation. f. Formal MOU / Agreement

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

## 6 MONITORING, EVALUATION AND IMPACT ASSESSMENT

- 6.1 Monitoring and Evaluation go hand in hand with the implementation of the project/activity. Timelines, budgetary expenditures and achievement of milestones can only be assessed by monitoring the project.
- 6.2 Monitoring should be periodic with a checklist of key indicators related to the project which is helpful in understanding the present picture. Monitoring also creates possibilities of mid-term course corrections in the project.
- 6.3 Monitoring should be taken care by NBCC CSR team or by any agency appointed for the purpose by the Board for its CSR projects. This ensures the involvement and ownership of CSR projects by the company.
- 6.4 The reporting format by which the implementing Organization submits its weekly/monthly/quarterly/yearly reports should be collaboratively designed by the company and the implementing Organization by keeping all the indicators of the projects in focus. The reporting format should also have a qualitative data section apart from quantitative data section.
- 6.5 In the case of one-time activity, monitoring should take place after handing over the services to Panchayat / State Government/Central Government etc. as this helps the company in understanding the functioning of the services provided. This also helps in taking mid-term course corrections if the services provided are not functional.
- 6.6 For long term sustainability of CSR Activities half yearly visit by the CSR Monitoring Team for a period of 5 years may be undertaken, to ascertain status / progress of the Activity.
- 6.7 Evaluation should be conducted by a third party that is not involved in implementation of the project at all. If required, it is advisable to appoint the agency engaged in baseline survey/need assessment for evaluation as the agency can clearly observe and assess whether the implementation is going in right direction as designed. Any new agency can also be recruited for the same.

- 6.8 After completion of the project/programmes/activities, NBCC should partner with a third party to conduct Impact Assessment study. Impact Assessment study drives to a conclusion whether the objectives of the project have been achieved or not. It also documents the socio-economic improvement and changes in quality of life of the beneficiaries. It also assesses the process of documentation, reporting, implementation, monitoring, beneficiaries' selection in line with the proposal/ needs assessment made beforehand, and all other aspects of the projects and gives a holistic view. It also documents what can be done to replicate the same programme with better results by the company.

## 7 UPKEEP AND MAINTENANCE OF ASSETS CREATED

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

## 8 POWERS OF APPROVAL

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

## 9 REPORTING

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

## 10 MISCELLANEOUS

- 10.1 The Company reserves the right to modify, cancel, add or amend any of the provisions of this policy in accordance to the prevailing statute.
- 10.2 Notwithstanding any clause in the Policy, no action pertaining to CSR Activities shall be taken in contravention of the provision of the section 135 of the Companies Act, 2013 and of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

## SUSTAINABILITY DEVELOPMENT

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

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

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

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

## ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

### 1. Brief outline on CSR Policy of the Company.

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

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

### 2. Composition of CSR committee as on March 31, 2021

| Sl.No. | Name of Director        | Designation / Nature of Directorship                  | Number of meetings of CSR Committee held during the FY 2020-21 | Number of meetings of CSR Committee attended during the FY 2020-21 |
|--------|-------------------------|---|--|--|
| 1      | Shri Rajendra Chaudhari | Director (Commercial) / Chairman (upto June 09, 2021) | 1  | 1  |
| 2      | Shri Neelesh Shah       | Director Projects / Member (upto May 31, 2021)        | 1  | 1  |
| 3      | Smt. B.K.Sokhey         | Director (Finance) / Member                           | 1  | 1  |
| 4      | Dr. Jyoti Kiran Shukla  | Member  | 1  | 1  |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the web site of the company:- <http://nbccindia.com>
4. 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:- **NA for FY 2020-21**
5. 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**
6. Average net profit of the company as per section 135(5):- **₹ 38,527.13 lakhs**
7. (a) Two percent of average net profit of the company as per section 135(5):- **₹ 770.54 lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:- **NIL**  
 (c) Amount required to be set off for FY 2020-21, If any:- **NIL**  
 (d) Total CSR obligation for FY 2020-21 (7a+7b-7c):- **₹ 770.54 lakhs**

8. (a) CSR amount spent or unspent for FY 2020-21:-

(₹ in Lakh)

| CSR amount spent or unspent for the financial year: |        |  |                  |  |        |                  |
|---|--------|--|------------------|--|--------|------------------|
| Total Amount Spent for the Financial Year           |        | Total Amount transferred to Unspent CSR Account. |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |        |                  |
|   |        | Amount   | Date of transfer | Name of the Fund   | Amount | Date of transfer |
| 2019-20   | 575.03 | -  | -                | -  | -      | -                |
| 2019-20*  | 311.09 | 149.42   | 30.04.2021       | -  | -      | -                |
| 2020-21   | 412.05 | 365.13   | 30.04.2021       | -  | -      | -                |

\* Amounts spent in F.Y. 2020-21 from the allocated CSR budget of F.Y. 2019-20

(b) Details of CSR amount spent against **ongoing projects** for the financial year 2020-21:

(₹ in Lakh)

| (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. | Loca- larea (Yes/ No). | State.   | District  | Project dura- tion (in years) | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implemen- tation - Direct (Yes/ No) | Name     | Mode of Implemen- tation- Through Im- plem-ent- ing Agency |
|         |  |  |                        |  |   |                               |                                  |  |   |   |          | CSR Reg- istration num- ber                                |
| 1       | Funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) | Schedule- VII Item No.(ii)                                   | No                     | 1)Punjab<br>2)Rajas- than<br>3)Uttar Pradesh<br>4)Uttara- khand<br>5)West Bengal | 1)Firozpur<br>2)Dholpur<br>3)Balram- pur<br>4)Bahraich<br>5)Chitra- koot)<br>6)Fatehpur<br>7)Harid- ware<br>8)Dakshin Dinajpur<br>9)Murshi- dabad | 2                             | 100.62                           | 80.49                                      | 20.13   | No  | ALIM- CO | CSR 000 005 32   |



(₹ in Lakh)

| (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 (in years) | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|         |   |  |                      | State.                   | District |                             |                                  |  |   |  | Name   | CSR Registration number |
| 2       | Construction Lab Space, Thaiyur Campus, IIT Chennai | Schedule-VII Item No.(ii)                                    | No                   | Tamil Nadu               | Chennai  | 2                           | 250.00                           | 0.00                                       | 250.00  | Direct                                   | NA   | NA                      |
| 3       | Contribution towards COVID-19 vaccination program   | VII Item No.(i)  | No                   | Leh                      | Ladakh   | 2                           | 90                               | 0.00                                       | 90.00   | Direct                                   | NA   | NA                      |
| 4       | Impact assessment of FY 2020-21                     | -  | -                    | -                        | -        | 2                           | 5.00                             | 0.00                                       | 5.00  | No                                       | NA   | NA                      |
|         | <b>TOTAL</b>  |  |                      |                          |          |                             | <b>445.62</b>                    | <b>80.49</b>                               | <b>365.13</b>   |  |  |                         |

(c) Details of CSR amount spent against other than **ongoing projects** for the financial year 2020-21:

(₹ in Lakh)

| (1)<br>Sl. No. | (2)<br>Name of the Project  | (3)<br>Item from the list of activities in schedule VII to the Act. | (4)<br>Local area (Yes/No). | (5)<br>Location of the project. |          | (6)<br>Amount spent for the project | (7)<br>Mode of implementation Direct (Yes/No). | (8)<br>Mode of implementation Through implementing agency. |                         |
|----------------|---|---|-----------------------------|---------------------------------|----------|-------------------------------------|--|--|-------------------------|
|                |   |   |                             | State                           | District |                                     |  | Name   | CSR Registration number |
| 1.             | Contribution to the Prime Minister CARES Fund in wake of COVID-19 | Schedule- VII Item No.(viii)  | No                          | NA                              | NA       | 200.00                              | Direct   | GOI  | NA                      |
| 2.             | COVID -19 quarantine Center electricity charges                   | Schedule- VII Item No.(viii)  | Yes                         | West Bengal                     | Kolkata  | 93.03                               | Direct   | Govt. of West Bengal                                       | NA                      |
| <b>TOTAL</b>   |   |   |                             |                                 |          | <b>293.03</b>                       |  |  |                         |

(d) Amount spent in Administrative Overheads:- ₹ **38.53 Lakh**

(e) Amount spent on Impact Assessment, if applicable:- **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):- ₹ **412.05 Lakh**

(g) Excess amount for set off, if any:-

(₹ in Lakh)

| Sl.No. | Particular  | Amount     |
|--------|---|------------|
| (i)    | Two percent of average net profit of the company as per section 135(5)                                      | 770.54     |
| (ii)   | Total amount spent for the Financial Year 2020-21   | 412.05     |
| (iii)  | Excess amount spent for the financial year [(ii)-(i)]   | (-) 358.49 |
| (iv)   | Surplus arising out of the CSR projects or programmes or Activities of the previous financial years, if any | 0.00       |
| (v)    | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 0.00       |

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

(₹ in Lakh)

| Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Amount spent in the reporting Financial Year | 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. |
|--------------------------|---|--|---|---|
| 2017-18                  | -   | 895.61                                       | -   | -   |
| 2018-19                  | -   | 978.57                                       | -   | -   |
| 2019-20                  | -   | 575.03                                       | -   | -   |
| 2019-20*                 | 149.42  | 311.09                                       | -   | 146.23  |
| 2020-21                  | 365.13  | 412.05                                       | -   | 358.49  |

\* Amounts spent in F.Y. 2020-21 from the allocated CSR budget of F.Y. 2019-20

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

(₹ in Lakh)

| (1)<br>Sl. No. | (2)<br>Project ID. | (3)<br>Name of the Project.   | (4)<br>Financial Year in Which the project was commenced. | (5)<br>Project duration. | (6)<br>Total amount allocated for the project | (7)<br>Amount spent on the project in the reporting Financial Year | (8)<br>Cumulative amount spent at the end of reporting Financial Year. | (9)<br>Status of the project- Completed /Ongoing |
|----------------|--------------------|---|---|--------------------------|---|--|--|--|
| 1.             | -                  | Conservation, restoration and development of Purana Qila  | 2016-17   | 5                        | 1435.00                                       | 57.33  | 943.35   | Ongoing  |
| 2.             | -                  | Funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO)  | 2019-20   | 1*                       | 67.00   | 43.60  | 43.60  | Ongoing  |
| 3              | -                  | Proposal for specially designed insulated vehicles for centralized kitchen under midday meal scheme at U.T. Administration of Dadra & Nagar Haveli and Daman and Diu. | 2019-20   | 1*                       | 27.00   | 0.00   | 0.00   | Ongoing  |

|              |   |  |         |    |                |               |               |         |
|--------------|---|--|---------|----|----------------|---------------|---------------|---------|
| 4            | - | NDDB Foundation for Nutrition to Distribute Giftmilk, Gadchiroli, Maharashtra. | 2019-20 | 1* | 50.00          | 0.00          | 12.50         | Ongoing |
| 5            | - | Impact Assessment of NBCC's CSR Activities of FY 2017-18**                     | 2017-18 | -  | 3.18           | 0.00          | 0.00          | Ongoing |
| 6            | - | Impact Assessment of NBCC's CSR Activities of FY 2018-19**                     | 2018-19 | -  | 1.77           | 0.00          | 0.00          | Ongoing |
| 7            | - | Impact Assessment of NBCC's CSR Activities of FY 2019-20**                     | 2019-20 | -  | 5.00           | 0.00          | 0.00          | Ongoing |
| <b>TOTAL</b> |   |  |         |    | <b>1588.95</b> | <b>100.93</b> | <b>999.45</b> |         |

\* Extended beyond one year due to Covid-19 pandemic.

\*\* Pertains to projects sanctioned in previous financial years.

10. In case of creation or acquisition of capital asset, furnish the details relating to the assets created or acquired through CSR spent in the financial year (asset-wise details):- **NIL**
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):- **Due to the unforeseen COVID-19 pandemic, however incurring of the CSR expenditure is in progress.**

Place: New Delhi  
Date: September 07, 2021

Sd/-  
**Shri P.K. Gupta**  
(Chairman & Managing Director  
and Chairman-CSR Committee)



Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED AS ON 31ST MARCH, 2021

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

To,  
The Members  
NBCC (India) Limited  
NBCC Bhawan, Lodhi Road  
New Delhi-11003

### Dear members.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NBCC (India) Limited** having CIN: L74899DL1960GOI003335 (**hereinafter called "the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial period ended on **March 31, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the audit period)
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable during the audit period)
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable during the audit period)
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the audit period)
  - (h) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and

- (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. (Not applicable during the audit period)
- (vi) Compliances /processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of periodic certificate under internal Compliance system submitted to the Board of Directors of the Company.

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

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

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

1. Under Regulation 17(10) & 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the company has not carried out the performance evaluation of the directors.
2. In view of the violation under Regulation 17(1)(a), 17(1)(b), 18(1)(b), 18(2)(b) and 19(1)(c) under SEBI (LODR) Regulations, 2015, the Bombay Stock Exchange & National Stock Exchange levied fine on the company. Bombay Stock Exchange has waived off the fine under the Standard Operating Procedure (SOP) levied for the quarter ended September 2019 to June 2020 however, the matter is still under consideration before the National Stock Exchange.

**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 except the followings:-

3. The Independent Directors meeting could not held under the SEBI (LODR) Regulation, 2015 and schedule IV of the Companies Act, 2013 as there is only one independent director is available on the Board of the Company.
4. The composition of the Board of Director did not comprise with sufficient number of Independent Directors as required Under regulation 17(1)(a) and 17(1)(b) of the SEBI (LODR) Regulation, 2015, Section 149 of the Companies Act, 2013 read with the Companies (Appointment and qualification of Directors) Rules, 2014 and para 3.1.2 and 3.1.4 of DPE Guidelines on Corporate Governance of CPSEs, 2010.
5. The composition of the Audit Committee was not in accordance with the requirement of Regulation 18(1) (b) and 18(2) (b) of SEBI LODR, Section 177 of the Companies Act, 2013 and para 4.1.1 of DPE Guidelines, 2010.
6. The composition for the meeting of the Nomination and Remuneration Committee was not in accordance with the requirement of Regulation 19(1)(c) with the requirement of SEBI (LODR) Regulation, 2015 and Section 178 of the Companies Act, 2013.

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

Further in case of exigencies whenever meeting of the Board/ Committees are called at shorter notice has been duly ratified by the Board of Directors/ Committee members in compliance of Secretarial Standard as prescribed by ICSI.

All decisions at Board Meetings and Committee Meetings are carried out with requisite approval, as the case may be.

The company has been regular in filing of e-forms/ documents with the Regulatory Authorities under the Companies Act, 2013 and the rules made thereunder.

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 no specific events/ actions were taken by the Company which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except-

- (i) That the Board of Director approved the Scheme of Merger during the FY 2020-21 under Section 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 of NBCC International Limited and NBCC Environment Engineering Limited, wholly owned subsidiaries with NBCC (India) Limited, Holding

Company, subject to the approval of Ministry of Corporate Affairs, New Delhi and it is under process.

- (ii) That NBCC Engineering & Consultancy Ltd, a wholly owned subsidiary of NBCC Limited had gone into Voluntary Liquidation during the FY 2020-21 under section 59 of the Insolvency & Bankruptcy Code, 2016 and regulations made there under.
- (iii) That NBCC Gulf LLC, a subsidiary of NBCC Incorporated in Sultanate of Oman also went into liquidation during the FY 2020-21 under the commercial law of Oman and same has been liquidated on June 20, 2021.

**For P. C. Jain & Co.**  
**Company Secretaries**  
**(FRN: P2016HR051300)**

**Place: Faridabad**  
**Date: September 04, 2021**  
**UDIN: F004103C000895455**

Sd/-  
**(P C Jain)**  
**Managing Partner**  
**CP No.3349**  
**M. No. 4103**

To,  
The Members  
NBCC (India) Limited  
NBCC Bhawan, Lodhi Road  
New Delhi-11003

Sir,

Our Secretarial Audit Report for the year ended as on 31st March, 2021 of even date is to be read along with this letter

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

**For P. C. Jain & Co.**  
**Company Secretaries**  
**(FRN: P2016HR051300)**

**Place: Faridabad**  
**Date: September 04, 2021**  
**UDIN: F004103C000895455**

Sd/-  
**(P C Jain)**  
**Managing Partner**  
**CP No.3349**  
**M. No. 4103**



## Management's Reply to Secretarial Auditor's Report (FY 2020-21)

The Secretarial Auditor has given his observations in the report on which management replies are as follows:

| S No. | Auditor's Comment   | Management's Reply   |
|-------|---|--|
| 1     | Under Regulation 17(10) & 25(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the Company has not carried out the performance evaluation of the directors.   | NBCC being a Government Company, the appointment/nomination of all the Directors is being done by the President of India, through the Ministry of Housing and Urban Affairs and performance evaluation of Directors including Independent Directors is done by the Administrative Ministry being the appointing authority.   |
| 2.    | The Independent Director Meeting could not held under SEBI(LODR), Regulation, 2015 and Schedule IV of the Companies Act, 2015 as there is only one independent director is available on the Board of Director of the Company.   | As on March 31, 2021, there was only one Independent Director on the Board of NBCC.<br><br>Accordingly, no separate meeting of Independent Directors could be held during the financial year 2020-21; however, the comments of Dr Jyoti Kiran Shukla, the only Independent Director on the Board of NBCC, were taken.  |
| 3     | In the view of the violation under Regulation 17(1) (a), 17(1) (b), 18(1) (b), 18(2) (b) and 19(1)(c) under SEBI (LODR) Regulations, 2015, the Bombay Stock Exchange & National Stock Exchange levied fine on the company. Bombay Stock Exchange has waived off the fine under the Standard Operating Procedure (SOP), for the period commencing from September 2019 to June 2020. However, the matter is still under consideration before the National Stock Exchange. | NBCC (India) Limited being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the power to appoint functional/ Official Part-time Directors/ non-Official Part-time Directors (Independent Directors) vests with the President of India through Administrative Ministry i.e. Ministry of Housing and Urban Affairs.<br><br>The position of Six Independent Directors of the Company got vacant due to completion of their tenures on June 15, 2019.<br><br>In view of the above, requests have been made from time to time to the Administrative Ministry i.e. Ministry of Housing and Urban Affairs (MoHUA) and presently only One Independent Woman Director (Dr. Jyoti Kiran Shukla) has been appointed with effect from August 1, 2019 and appointment of other five Independent Directors is awaited from the Ministry. |
| 4     | The composition of the Board of Director did not comprise with sufficient number of Independent Directors as required under regulation 17(1)(a) and 17(1)(b) of the SEBI (LODR) Regulation, 2015, Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Para 3.1.2 and 3.1.4 of DPE Guidelines on Corporate Governance of CPSEs, 2010.   | Therefore, due to non appointment of requisite number of Independent Directors, the composition of Board, Audit Committee and NRC Committee is not as per the provisions of regulation 17, 18 and 19 of SEBI (LODR), 2015, respectively, DPE guidelines on Corporate Governance and Companies Act, 2013.   |
| 5     | The composition of the Audit Committee was not in accordance with the requirement of Regulation 18(1) (b) and 18(2) (b) of SEBI LODR, Section 177 of the Companies Act, 2013 and Para 4.1.1 of DPE Guidelines, 2010.  | Since, the appointment of Directors is done by Administrative Ministry it is beyond the control of the Company.<br><br>Further, NBCC has also been written letters to NSE and BSE various times to waive off the penalty/fines imposed on the aforesaid non-compliances.   |
| 6     | The composition for the meeting of the Nomination and Remuneration Committee was not in accordance with the requirement of Regulation 19(1) (c) with the requirement of SEBI (LODR) Regulation, 2015 and Section 178 of the Companies Act, 2013.  | Accordingly, BSE waived off the penalty and fines levied for the quarter ended September 2019 to June 2020. However, the matter is under consideration of NSE.   |

Place: New Delhi  
Date : September 07, 2021

Sd/-  
**(Pawan Kumar Gupta)**  
Chairman & Managing Director  
DIN-07698337

## BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2) (f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

|    |  |  |
|----|--|--|
| 1  | Corporate Identity Number (CIN) of the Company   | L74899DL1960GOI003335  |
| 2. | Name of the Company  | NBCC (India) Limited   |
| 3. | Registered address   | NBCC Bhawan, Lodhi Road, New Delhi- 110003   |
| 4. | Website  | www.nbccindia.com  |
| 5. | E-mail id  | co.sectt@nbccindia.com   |
| 6. | Financial Year reported  | April 01, 2020 - March 31, 2021  |
| 7. | Sector(s) that the Company is engaged in (industrial activity code-wise)   | <p>NBCC operates in three business segments:</p> <p><b>i. Project Management Consultancy (NIC 9983)</b></p> <p>The company provides management and consultancy for a range of civil construction projects including residential and commercial complexes, re-development of old government colonies, education and medical institutions, infrastructure project roads, water supply systems, storm water systems and water storage solutions.</p> <p><b>ii. Engineering Procurement and Construction (NIC 9954)</b></p> <p>NBCC operates in the Infrastructure Segment as well, wherein it executes projects such as High Rise Chimneys, Cooling Towers, Coal Handling Plants etc. Under EPC, our services include Projects conceptualisation, Feasibility studies, Detailed Project Reports, Basic and detailed Engineering, Procurement, Construction, Commissioning &amp; Testing and handing it over to clients in ready to use and functional conditions.</p> <p><b>iii. Real Estate Development(NIC 9972)</b></p> <p>Real Estate Development focuses primarily on residential and commercial projects which includes residential buildings, corporate office buildings and commercial complexes.</p> |
| 8  | List three key products/services that the Company manufactures/provides (as in balance sheet)  | <p>Project Management Consultancy (PMC)</p> <p>Engineering Procurement and Construction (EPC) Contracting</p> <p>Real Estate Development</p>   |
| 9  | Total number of locations where business activity is undertaken by the Company<br>(a) Number of International Locations (Provide details of major 5)<br>(b) Number of National Locations | <p>International Offices:<br/>Dubai, Maldives, Africa, Mauritius and Seychelles</p> <p>(b)Domestic offices:<br/>RBG/ SBG Offices: Delhi, Uttar Pradesh, Rajasthan, Gujarat, Madhya Pradesh, West Bengal, Maharashtra, Nagpur, Goa, Meghalaya/Mizoram, Tripura &amp; Sikkim, Arunachal Pradesh, Nagaland &amp; Manipur, Jammu &amp; Kashmir, Uttarakhand, Jharkhand &amp; Bihar, Bhubneshwar, Odisha, Andhra Pradesh, Telangana, Assam and Himachal Pradesh</p>   |
| 10 | Markets served by the Company – Local/ State/National/International  | NBCC has presence in Local, State, National and International markets.   |

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

|   |   |   |
|---|---|---|
| 1 | Paid up Capital (₹ in crore)  | 180.00  |
| 2 | Total Turnover/Income (₹ in crore)  | (Standalone: 5120.08) (Consolidated: 7012.36)   |
| 3 | Total profit after taxes (₹ in crore)   | (Standalone: 201.74) (Consolidated : 236.24)  |
| 4 | Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) | At least 2% of the previous 3 years Average Net Profit.   |
| 5 | List of activities in which expenditure in point 4 above has been incurred:-                  | <ul style="list-style-type: none"> <li>▪ Funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO)</li> <li>▪ Contribution to the Prime Minister Cares Fund in COVID-19</li> <li>▪ Contribution towards COVID-19 vaccination program</li> <li>▪ Expenditure related to COVID-19 Quarantine Centre</li> </ul> |

## SECTION C: OTHER DETAILS

|   |  |  |
|---|--|--|
| 1 | Does the Company have any Subsidiary Company/ Companies?   | The Company has six wholly owned subsidiary subsidiaries i.e. NBCC Services Limited, NBCC Engineering & Consultancy Limited, NBCC International Limited, NBCC Environment Engineering Limited, HSCC (India) Limited and NBCC DWC LLC (Foreign Subsidiary) and two subsidiaries 'Hindustan Steelworks Constructions Limited' and "NBCC Gulf LLC", Oman (Foreign Subsidiary) as on March 31, 2021. |
| 2 | Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)  | Yes, NBCC Services Limited, the subsidiary companies participates in the BR initiatives of the parent company.   |
| 3 | Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] | The BR initiatives of NBCC have the cooperation of all its stakeholders (Govt. of India, employees, contractors, suppliers, vendors and the community at large) and these stakeholders assist NBCC in achieving its business responsibility. However, it is difficult to establish the extent to which their support helps in facilitating NBCC's business responsibility initiative.            |

## SECTION D: BR INFORMATION

|    |   |   |  |                       |
|----|---|---|--|-----------------------|
| 1. | <b>Details of Director/<br/>Directors responsible for BR</b>                                  | Chairman & Managing Director of the Company is responsible for Ethics & Transparency. |  |                       |
| a. | Details of the Director/Director responsible for the implementation of the BR policy/policies |   |  |                       |
|    | <b>DIN Number</b>   | <b>Name</b>   | <b>Designation</b>                           |                       |
|    | 07698337  | Shri Pawan Kumar Gupta  | Chairman & Managing Director and Chairperson |                       |
|    | 06955670  | Smt. B K Sokhey   | Director(Finance)                            |                       |
| b. | <b>Details of the BR head(s)</b>  | CSR   | HR   | SD                    |
|    | <b>DIN Number (if applicable)</b>   | NIL   | NIL  | NIL                   |
|    | <b>Name</b>   | Shri Debasis Satapathy  | Shri Manas Kaviraj                           | Smt. Sunita Purswani  |
|    | <b>Designation</b>  | GM HRM (CSR)  | ED (HRM)                                     | CGM (Tech)            |
|    | <b>Telephone number</b>   | 011-24367314-5, 43591555  |  |                       |
|    | <b>E-mail id</b>  | csr@nbccindia.com   | hrm@nbccindia.com                            | tech.ho@nbccindia.com |

## 2. Principle-wise (as per NVGs) BR Policy /policies

### Name of principles:

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

(a) Details of compliance (Reply in Y/N)

| No. | Questions  | P 1   | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|--|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 1   | Do you have a policy/ policies for....   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 2   | Has the policy being formulated in consultation with the relevant stakeholders?  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 3   | Does the policy conform to any national / international standards? If yes, specify? (50 words)   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4   | Has the policy being approved by the Board?<br>Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?                                   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 5   | Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?                                  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 6   | Indicate the link for the policy to be viewed online?  | <a href="https://www.nbccindia.com/webEnglish/policies">https://www.nbccindia.com/webEnglish/policies</a>   |     |     |     |     |     |     |     |     |
| 7   | Has the policy been formally communicated to all relevant internal and external stakeholders?  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 8   | Does the Company have in-house structure to implement the policy/ policies?  | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 9   | Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies? | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 10  | Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?                                 | The Company undertakes assurance for sustainability development report, which covers almost all principles mentioned here. To review FY 2019-20 sustainability report and assurance statement, please visit <a href="http://www.nbccindia.com">www.http://www.nbccindia.com</a> |     |     |     |     |     |     |     |     |

3. Governance related to BR

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

## SECTION E:

# PRINCIPLE-WISE PERFORMANCE

## Principle 1

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

NBCC being a listed Public Sector Enterprise, conducts and governs itself with Ethics, Transparency and Accountability as per policies mandated by Department of Public Enterprises (DPE) Guidelines on Corporate Governance, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other guidelines and policies of the DPE. The company has an established Code of Conduct and Business Ethics, and Whistle Blower Policy. These documents are underpinned by a NBCC Sustainable Development Framework – policies, management and technical standards. The code, policies and standards communicate our zero tolerance approach to ethical violations, and communicate our commitment and requirement for legal compliance and ethical good practice.

To ensure that all employees are well-versed with our Code, a mandatory training is provided for new recruits, also refresher workshops on anti-corruption policies and procedures are conducted for all the employees at various levels.

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

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

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

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

## Principle 2

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

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

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

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

## Waste water Management

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

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

### Organic/ Kitchen waste management:

**Process:** Household waste is segregated into organic and dry recyclable waste. The next step is to transport the organic waste into the waste treatment facility through electric rickshaw. Once received, the organic waste is processed in a shredder prior to its treatment in the organic waste composting (OWC) unit. Finally, the shredded organic waste along with green waste is processed in the OWC for 20-30 minutes and is made into homogenous odour free material. After treatment in the OWC, the

homogenous waste is stored in curing trays for about 15 days. These trays are fitted with water sprinklers that are automatically timed for sprinkling twice a day. At the end of the 15-days cycle, the organic is ready to use and is packed and sent for all horti cultural purposes.

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

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

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

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

#### **Plastic Wastes**

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

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

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

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

During the financial year 2020-21, the company has not measured usage of water, energy and raw material on all its projects being executed all over the India. However, NBCC is actively engaged in providing services at its project sites to propagate the use of natural resources and energy saving alternatives. Sustainability and Sustainable Development has been adopted as a practiced philosophy towards 'Building Green' making use of water energy and renewable energy, and eco-friendly recycled/recyclable materials for improved quality of life and comfort.

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

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

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

The Company pursues its business activities in a safe and sustainable manner. All work practices, procedures and production endeavours comply with the highest Health, Safety and Environment standards as per the Industry norms, Government and relevant statutory bodies. Since NBCC is engaged in the civil construction services sector, it offers 'Green Building' solutions to its clients. These initiatives not only nurture the environment but also translate into improved comfort and health for the occupants. Some of the prominent building structures executed by NBCC and conforming to GRIHA Certification include:

- Indian Institute of Corporate Affairs, IICA, Manesar, LEED - India Gold rating.
- Civil Services Officers Institute (CSOI) in New Delhi, - GRIHA 3-Star Building.
- India's first and largest Green Home Campus at New Moti Bagh- IGBC silver rating.
- National Institute for Solar Energy (NISE), Gurgaon - GRIHA 5 star rating.
- Central Bureau of Investigation (CBI) H.Q. building -IGBC green building certification trophy 2015 for silver rating.

Further, NBCC had set up a C&D waste recycling plant at the East Kidwai Nagar redevelopment Project for manufacturing of bricks which have been used in the project. Most of the Company's upcoming building projects are Green Buildings and enjoy 3,4, & 5 Star GRIHA rating. The Company is pursuing in letter & spirit the concept of "Greening the vendor in its entire value chain."

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Presently, the Company does not have a process to measure this parameter. There is a growing demand from NBCC clients for green buildings backed by a highly aware clientele that is environment-conscious and demands a better and healthy lifestyle, while using alternative energy fuels and preserving natural resources.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Being an Indian Central Public Sector Enterprise (CPSE), NBCC's procurement policy and practices are guided by the Government Policies and CVC guidelines. Procurement of goods and services at Corporate Office is mainly done from government-approved sources.

(a) If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

There is a mechanism for registration of vendors (contractors/sub-contractors and consultants) under different categories in the company. Several vendor-meets are organized during the year, to upgrade them to the sustainable practices and resolve any critical issues that arise during the execution of a project. Besides, these meets go a long way in cementing relationships with the vendors.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

NBCC puts continuous efforts to improve upon utilization of recycled material, minimize loss, improve operational efficiency and reduce material use intensity ensuring optimum use of materials. NBCC had set up a facility to recycle 150 tons per day of construction and demolition waste at the redevelopment project at East Kidwai Nagar, Delhi. Approx 2 million bricks were produced and utilized in project itself.

### Principle 3:

#### Business should promote the well-being of all employees

NBCC recognizes that its human resource is integral to meeting organizational goals. The focus of our people's strategy is to recruit, develop and retain our talent in the long-run. We are committed to providing our employees a safe and healthy work environment. Through a high degree of engagement and empowerment, we enable them to realise their full potential, both personally and professionally. The Company has a wide range of HR policies covering all categories of the employees. It addresses all aspect of professional skill & knowledge up-gradation, employee motivation and welfare measures, employees' health and general wellbeing measures, women empowerment.

We also focus on effectively utilising and grooming our talent by appropriately rotating them across businesses for experience in new roles and preparing them to take up various key positions in the future.

1. Please indicate the Total number of employees: 1496
2. Please indicate the Total number of employees hired on
  - Temporary: 0
  - Contractual: 21
  - Casual basis: 0
3. Please indicate the number of permanent women employees: 121
4. Please indicate the number of permanent employees with disabilities: 26
5. Do you have an employee association that is recognized by management: Yes
  - All India NBCC Employees (Lal Jhanda) Union, New Delhi
  - All India NBCC Shramik Union, New Delhi
  - NBCC Karamchari Congress, New Delhi
  - NBCC Limited Workers' Union, New Delhi
  - NBCC Workers' and Employees Association, New Delhi



- All India NBCC Employees Association, New Delhi.
  - NBCC Karamchari Kalyan Sangh, New Delhi
  - All India NBCC Employees Union, New Delhi
  - NBCC SC/ST Employees Welfare Association
  - NBCC (I) Officers Welfare Association
6. What percentage of your permanent employees is members of this recognized employee association?: 10 % to 15 %
7. Please indicate the number of complaints received relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

| No. | Category                                      | No of complaints filed during the financial year | No of complaints pending as on end of the financial year |
|-----|---|--|--|
| 1   | Child labour/forced labour/involuntary labour | Nil  |  |
| 2   | Sexual harassment                             |  |  |
| 3   | Discriminatory employment                     |  |  |

8. What percentage of your under mentioned employees was provided safety & skill up- gradation training in the last year?

|  |     |
|--|-----|
| Permanent Employees                    | 57% |
| Permanent Women Employees              | 37% |
| Casual/Temporary/Contractual Employees | -   |
| Employees with Disabilities            | 61% |

#### Principle 4:

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

NBCC's values its stakeholders and engages with them regularly in order to maintain a symbiotic relationship. The Company has policies in place to address the interests of all stakeholders. NBCC complies with Government directives for up-liftment of weaker section of the society. It is fully committed to the welfare of marginalized and vulnerable sections of society. The company follow an inclusive model in which we value the opinion of each and every stakeholder.

1. Has the company mapped its internal and external stakeholders? Yes/No  
The company understands the distinct requirements of its various stakeholders; the business has identified certain key groups as having significant interest in its operations: Employees, Shareholders, Lenders, Host Governments, Communities, Civil Society and Industry. We effectively engage with its stakeholders to understand their key concerns and opinions.
2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?  
Identification of the disadvantaged, vulnerable and marginalised stakeholders is an ongoing process. However, we have given special emphasis to the empowerment of women in our nearby communities. We have initiated several programmes on women education, skill development while providing them entrepreneurial opportunities.
3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.  
Yes. We engage with the disadvantaged, vulnerable and marginalised stakeholders through our CSR projects. Across the country, the Self Help Group movement has successfully and systematically empowered marginalised and grass-root level women through awareness raising, capacity building, economic empowerment and solidarity.

#### Principle 5:

**Business should respect and promote human rights**

NBCC's policies are in line with the principles of Human Rights, the Constitution of India, and various applicable laws. All policies of NBCC takes into account the Human Rights of not only of its employees but also of vendors, contactors and all

the other people likely to be affected by the operations of the Company. The HR Policy of the company is aligned to the Standard Principles on business and human rights and includes strict prohibition of child or forced labour – either directly or through contract labour. Further the Code of Business Conduct and Ethics (Code) commits to comply with all relevant national laws and regulations, underpinning and our approach to protecting the fundamental rights of all the direct and indirect employees.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / Suppliers/Contractors/NGOs/Others?

The HR policy is aligned to the Standard Practice on Business and Human Rights and is a mandate for all of the employees including those of our group companies. Further it also encompasses all our suppliers, contractors and NGOs etc.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaints with respect to Human Rights were reported.

## Principle 6:

### Business should respect, protect, and make efforts to restore the environment

#### The Company has always ensured

NBCC protects and cares for the environment. The company continually strives to mitigate the environmental impact, that may arise from its business activities such as construction by planning the adequate number trees, investing in effluent & solid waste management, environment monitoring and reporting, bio-diversity conservation efforts Sewage treatment at source and the use of recycled water, is the way forward for water conservation by NBCC which it practices in all its projects. Treated water & manure generated is re-used within the society. NBCC promotes and encourages massive tree (not sapling) plantations in the redevelopment of colonies and projects to further boosts the existing trees in the area.

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

All our sustainability policies are applicable and extended to the Group/Joint Ventures / Suppliers/ Contractors/ NGOs/ others. Initiatives towards protection and restoration of environment are not only implemented by NBCC but also by its wholly owned subsidiary companies/joint ventures and vendors.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give a hyperlink for the webpage.

We have a profound responsibility to address the growing concerns of our environment, most notably, global warming and also to adapt to the future impacts. This remains a high profile challenge across our markets. Countries like India, in which we are operating, are predicted to experience the worst impact of climate change as we are a coal-consuming economy. Climate change poses a real and credible danger to our way of life on this planet. Mitigating it calls for exploration and adoption of innovative technologies that maintain ecological balance without compromising on economic growth.

NBCC is aware about the compelling reasons for addressing the environmental issues. With global energy demand outgrowing production, there is an immediate need for adopting sustainable practices for energy efficiency, reduce impact of climate change, preserve quality of human life and meet government initiatives. High performance green buildings constructed by NBCC directly contribute to this cause by reducing environmental impacts on water, materials, waste, energy and carbon emission while assuring quality of life and comfort to the community.

3. Does the company identify and assess potential environmental risks?Y/N

Yes. NBCC ensures all mandatory clearances including prior environment clearance of the Ministry of Environment and Forests before commencement of construction at project sites. The Company has adopted Enterprise Risk Management Policy and has established mechanisms to identify and assess potential environmental risks and accordingly, developed a mitigation plan.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

NBCC is actively involved in the objective of Clean Development Mechanism (CDM), thus making its contribution to sustainable development and ensuring Certified Emissions Reductions (CER). The Company has been undertaking construction of a large number of green buildings in the past and many more projects are in pipeline for clients mainly ministries, government departments/autonomous bodies and CPSEs.

NBCC's Energy Efficient Green Building Projects are as follows:-

- I. SPG Dwarka – LEED Platinum rating.
  - II. Garvi Gujarat Sadan - GRIHA 3-star rating.
  - III. Central Information Commission Headquarters - GRIHA 4-star rating.
  - IV. Income Tax office, Lucknow - GRIHA 3-star rating.
  - V. NIA Headquarters, Delhi - GRIHA 3-star rating.
  - VI. MSTC Corporate Office, Kolkata - GRIHA 3-star rating.
  - VII. India's first and largest Green Home Campus at New Moti Bagh- IGBC-LEED Silver rating.
  - VIII. National Institute for Solar Energy (NISE), Gurugram - GRIHA 5 star rating.
  - IX. Indian Institute of Corporate Affairs, Manesar- LEED Gold rating.
  - X. Civil Services Officers Institute (CSOI) New Delhi - GRIHA 3-Star rating.
  - XI. Coal India Building Headquarters, Kolkata (WB) - GRIHA 4-Star rating.
  - XII. Central Bureau of Investigation (CBI) H.Q. – LEED Silver rating.
  - XIII. Group Head Quarter for CISF at Ahmedabad - GRIHA 3-Star rating.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.
- NBCC has taken several initiatives for pursuing clean technology, energy efficiency & renewable energy.
- All Real Estate complexes constructed will be equipped with roof top solar power plant.
  - As most of the projects executed by NBCC are in line with the GRIHA norms, the equipments used are all energy efficient. The NBCC Head Office itself is in line with GRIHA norms.
6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?
- The emission and waste generated by the company at its corporate, field offices and project sites is within the permissible limits. Separately, NBCC has set up a wholly owned subsidiary. NBCC Services Limited (NSL) to undertake and execute maintenance and provide end-to-end service to its customers/clients, thus ensuring compliance with the Environmental and Pollution Control Authorities.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.: NIL

## Principle 7:

### Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Public and regulatory policies relating to operation of Companies in India are formulated by the Government of India. NBCC being a PSE and a responsible corporate citizen of India, it conducts its business in a responsible manner and always pursues the best ethical business practices.

1. Is your company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:
 

The Company has association with a number of trade chambers and associations and the major ones are:

  - Federation of Indian Chamber of Commerce and Industry (FICCI).
  - The Associated Chamber of Commerce and Industry (ASSOCHAM)
  - All India Management Association (AIMA)
  - Confederation of Indian Industry (CII)
  - Standing Conference on Public Enterprises (SCOPE)
  - Construction Industry Development Council (CIDC)
  - National Real Estate Development Council (NAREDCO)
2. Have you advocated/lobbied through the above associations for the advancement or improvement of public good? Yes/ No; if Yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development

Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

NBCC has been engaged in offering constructive suggestions through the above associations in specific areas related to the construction industry and in general, towards sustainable development and corporate social responsibility for the improvement of public good.

## Principle 8:

### Businesses should support inclusive growth and equitable development

CSR policy of the company envisage to undertake holistic development initiatives / projects in the community at large and to take up CSR projects in the area of healthcare, infrastructural development in rural areas, training and awareness etc. to improve the quality of life and standard of living of the rural populace as first priority. The Company has a structured mechanism for Corporate Social Responsibility and Sustainable Development.

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If Yes, provide details thereof.

NBCC's social development projects are aimed at promoting healthcare, providing sanitation, and creating livelihood for people especially those belonging to the disadvantaged sections of the society. Some of the projects and initiatives in this direction are:

- Contribution to the Prime Minister CARES Fund in wake of COVID-19
- Funding for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) from Aspiration Districts.
- CSR expenditure on COVID Quarantine Center via electricity charges.
- Contribution towards COVID-19 vaccination program, Leh Ladakh.
- Construction Lab Space, Thaiyur Campus, IIT Chennai.

2. Are the programmes/projects undertaken through an in-house team/own foundation/external NGO/government structures/any other organization?

CSR initiatives/projects are undertaken through a wholly owned subsidiary and government agencies. As per the DPE guidelines, CPSEs cannot implement the projects through their employees/staff.

3. Have you done any impact assessment of your initiative?

The Company assigns tasks related to Impact Assessment of its CSR initiatives to third-parties on competent tender basis but for current FY 2020-21 we have not conducted impact assessment as the CSR Project / Activities are still in progress due to pandemic COVID-19.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

(₹ in Lakh)

| (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). | State.  | Location of the project. District   | Project duration (in years) | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/No) | Name   | Mode of Implementation - Through Implementing Agency CSR Registration number |
| 1       | Contribution to the Prime Minister CARES Fund in wake of COVID-19                                    | Schedule-VII Item No.(viii)                                  | No                   | NA  | NA  | 1                           | 200.00                           | 200.00                                     | 0.00  | Direct                                   | GOI    | NA   |
| 2       | Funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) | Schedule-VII Item No.(ii)                                    | No                   | 1) Punjab<br>2) Rajasthan<br>3) Uttar Pradesh<br>4) Uttarakhand<br>5) West Bengal | 1)Firozpur<br>2)Dholpur<br>3)Balrampur<br>4)Bahraich<br>5) Chitrukoot)<br>6)Fatehpur<br>7) Haridware<br>8)Dakshin Dinajpur<br>9)Murshidabad | 2                           | 100.62                           | 80.49                                      | 20.13   | No                                       | ALIMCO | CSR 000 005 32   |
| 3       | Construction Lab Space, Thaiyur Campus, IIT Madras   | Schedule-VII Item No.(ii)                                    | No                   | Tamil Nadu  | Chennai   | 2                           | 250.00                           | 0.00                                       | 250.00  | Direct                                   | NA     | NA   |

(₹ in Lakh)

| (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). | State.      | Dis-trict | Project duration (in years) | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation - Direct (Yes/ No) | Name                 | CSR Reg-istration number |
| 4            | Contribution towards COVID-19 vaccination program | VII Item No.(i)  | No                   | Leh         | Ladakh    | 2                           | 90                               | 0.00                                       | 90.00   | Direct                                    | NA                   | NA                       |
| 5            | COVID -19 quarantine Center electricity charges   | Schedule-VII Item No.(viii)                                  | Yes                  | West Bengal | Kolkata   | 1                           | 93.03                            | 93.03                                      | 0.00  | Direct                                    | Govt. of West Bengal | NA                       |
| <b>TOTAL</b> |   |  |                      |             |           |                             | <b>445.62</b>                    | <b>80.49</b>                               | <b>365.13</b>   |   |                      |                          |

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Prior to undertaking a CSR project, need assessment is conducted in order to ascertain the specific needs, problems and relevant solutions from the community perspective as also the gain from the concerned authorities, school, health officials and society at large. The projects are designed and taken up only after consultation with the relevant stakeholders and on the basis of need assessment. After approval of the CSR activity/initiative from CSR Board, the concerned RBG/SBG/ZO is responsible for timely completion, quality of work and timely handing over. Upkeep and maintenance of the assets created is looked after by the concerned Government Authorities and local institutions.

### Principle 9:

#### Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company deals with its contractors, customers in a transparent manner and ensure the interest of all the stakeholders. The Company has a structured and dedicated Vendor Portal for its contractors.

- What percentage of customer complaints/consumer cases are pending as on the end of financial year?  
78% cases are under process.
- Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).  
Salient features, specifications and services depend upon the requirement of clients, which may differ from project to project. Detailed terms and conditions are separately enumerated in the bi-partite agreement executed by the Company with its clients while conforming to the applicable laws of the land.
- Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so: 'Nil'.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?  
The Company is pro-active on its part in dealing with customers. After the project is completed, feedback is obtained from its clients. During the course of execution, regular and structured meetings are often held to take stock of problems and difficulties for immediate remedy or to avoid recurrence thereafter. Any short coming/defect during construction is rectified and attended to promptly. This approach has led to customer's satisfaction, which is often reflected in the form of repeat orders.



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**



**(Rina Akoijam)**

**Director General of Audit (Infrastructure)  
New Delhi**

**Place: New Delhi**

**Dated: 03 September 2021**



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of the consolidated financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their audit report dated 29 June 2021.

I, on behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **NBCC (INDIA) LIMITED** for the year ended 31 March 2021 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **NBCC (INDIA) LIMITED**, its four subsidiaries **NBCC Services Limited**, **Hindustan Steelworks Construction Limited**, **HSCC (India) Limited** and **NBCC Engineering and Consultancy Limited**<sup>1</sup>, but did not conduct supplementary audit of the financial statements of its subsidiaries **NBCC International Limited**, **NBCC Environment Engineering Limited** and one jointly controlled entity **Real Estate Development & Construction Corporation of Rajasthan Limited** for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to its three joint ventures **NBCC-R.K. Millen**<sup>2</sup>, **NBCC-MHG**, **NBCC-AB** being private entities and to its subsidiaries **NBCC Gulf LLC**<sup>3</sup> and **NBCC DWC LLC** being entities incorporated in Foreign countries under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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<sup>1</sup> The group lost control over the subsidiary w.e.f. 19 February 2021.

<sup>2</sup> Partial amount of investment in **NBCC-R.K. Millen** was received by **NBCC (India) Limited** during the financial year 2018-19 by arbitration award and the dissolution of the defunct partnership shall be pursued after receipt of award amount in full. Thus it has not been considered for consolidation in Consolidated Financial Statements of the company.

<sup>3</sup> The group lost control over the subsidiary w.e.f. 02 July 2020.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the  
Comptroller and Auditor General of India**



**(Rina Akoijam)**

**Director General of Audit (Infrastructure)  
New Delhi**

**Place: New Delhi**

**Date: 7 September 2021**





# **STANDALONE FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NBCC (INDIA) LIMITED

#### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of NBCC (India) Limited (herein referred to as **"the Company"**), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements including a summary of the significant accounting policies and other explanatory information, in which is included the unaudited financial statements of 2 foreign branches of the company located at Mauritius and Maldives for the year ended on that date (as certified by the management) (hereinafter referred to as **"the standalone financial statements"**).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (**"the Act"**) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, (**"Ind AS"**) and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2021, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Emphasis of Matters

We invite attention to the following matters in the notes to the standalone financial statement:

- i) Note No. 47(i) and 47(ii) regarding non-execution of conveyance deed in favour of the company and Note No. 47(iii) and 47(iv) regarding non handing over of possession and non execution of lease deed and other matters incidental thereto, in respect of various properties, forming part of the land bank (inventory) involving in aggregate a sum of ₹ 21,894.66 Lakh;
- ii) Note No. 47(v) regarding payment by the company to L&DO, MoHUA as premium for availing additional ground coverage at company's built up and sold project **"NBCC Plaza"** and incurring of other construction cost and consequential expenses thereon for project which is stuck up on account of similar demand raised by South Delhi Municipal Corporation in respect of additional ground coverage, in the year 2015;
- iii) Note No. 47(vi) regarding developed real estate project having a carrying value of ₹ 8699.87 Lakh and remaining unsold for want of environmental clearance;
- iv) Note No. 47(vii) regarding developed real estate projects having a carrying value of ₹ 916.96 Lakh and remaining unsold due to unfavourable market conditions;
- v) Note No. 47(viii) regarding developed real estate projects costing ₹ 5775.82 Lakh and remaining unsold for over five years due to unfavourable market conditions resulting in deterioration in value by ₹ 1172.23 Lakh;
- vi) Note No. 47(x) regarding developed real estate partially sold and occupied project, remaining unsold due to structural and other defects. The matter is also under investigation by vigilance department;
- vii) Note No. 48(ii) regarding irregularities in the project being executed by the company and consequent referral of the matter to vigilance department;

- viii) Note No. 48(iii) regarding the balances of Trade Receivables, Loans and Advances, Security Deposits, Earnest Money Deposits, Deposits and Trade Payables being subject to reconciliation, confirmation and consequential adjustments thereof.
- ix) Note No. 48(v) regarding uncertainties arising out of the outbreak of COVID - 19 pandemic and disruptions in regular business operations due to lockdown and consequential assessment made by the management on its business and its associated financial risks;

Our opinion is not modified in respect of above matters.

**Key Audit Matters**

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matters   | Auditor's Response   |
|---|--|
| <p><b><u>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of "Revenue from contracts with Customers" under Ind AS 115 (Revenue Accounting Standard)</u></b></p> <p>The application of this accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>An estimated effort is a critical estimate to determine revenue, as it requires consideration of progress of the contract. Efforts incurred till date; efforts required to complete the remaining performance obligation.</p> <p>Refer Note No. 25 to the standalone financial statements.</p> | <p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <p>Evaluated the effectiveness of control over the preparation of information that are designed to ensure the completeness and accuracy.</p> <ul style="list-style-type: none"> <li>Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.</li> <li>Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the Ind AS 115.</li> <li>Reviewed some sample of contracts to identify possible delays in achieving milestones which require change in estimated efforts to complete the remaining performance obligation.</li> <li>Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul> |
| <p><b><u>Assessment and Recoverability of trade receivables</u></b></p> <p>The company has net trade receivables outstanding of ₹ 163854.35 Lakh at the end of March 2021.</p> <p>These balances are related to revenue recognized in line with Ind AS for ongoing contracts and completed contracts. The assessment of its recoverability is a key audit matter in the audit due to its size and high level of management judgment.</p> <p>Refer Note No. 10 to the standalone financial statements.</p>   | <p><b><u>Principal Audit Procedures</u></b></p> <p>We assessed the company's internal process to recognize the revenue and review mechanism of trade receivables. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>Evaluated the process of invoicing, verification and reconciliation with customer.</li> <li>Obtained the list of project wise outstanding details and its review mechanism by the management.</li> <li>Reviewed the guidelines and policies of the company for impairment of trade receivables.</li> <li>Tested the accuracy of ageing of trade receivables at the year end on sampling basis.</li> <li>Performed analytical procedures and test of data, their reasonableness and recoverability and other material items.</li> </ul>   |

| Key Audit Matters   | Auditor's Response   |
|---|--|
| <p><b><u>Provisions and Contingent Liabilities</u></b></p> <p>The company is involved in various taxes and other disputes for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements. Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.</p> <p>Refer Note No. 38 to the standalone financial statements.</p> | <p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedure in response to this key Audit Matter included, among others:</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the company considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with legal and tax departments of the company regarding the status of the most significant disputes and inspection of the key relevant documentation.</li> <li>• Analysis of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul> |

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

The company's management is responsible for the preparation of the other information. The other information comprises the information included in director's report and annexure but does not include the standalone financial statements and our auditor's report thereon. The director's report and annexure is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

#### **Management's Responsibility and Those Charged with Governance for the Standalone Financial Statements**

The management of the company and the board of directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the management of the company is responsible for assessing the company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the company either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the financial statement/information of 2 foreign branches included in the standalone financial statements of the company whose financial statements / financial information reflect total assets of ₹ 6253.05 Lakhs as on 31st March 2021 and total revenue of ₹ 12544.23 Lakhs for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of said branch has been furnished to us certified by the management, and our opinion, so far as it relates to the amounts and disclosures included in respect of said branch, is based solely on the management certified financial statements / information.

Our opinion is not modified in respect of above said matter.



**Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account, as required by law, have been kept by the company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch(es) not visited by us;
  - c. The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules 2015 as amended;
  - e. The company being a Government Company, the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company in terms of notification no. G.S.R.463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;
  - f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company being a Government Company, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No. 38 to the financial statements.
    - ii) The company has made provision, as required under the applicable laws or Indian Accounting Standards for material foreseeable losses, if any, on long-term contracts. Further, the company does not have any derivative contract as at March 31, 2021.
    - iii) There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the company in accordance with the relevant provisions of the Act and Rules made thereunder.
- (3) On the basis of such checks of the books and records of the company, as we considered appropriate and according to the information and explanations given to us, we are enclosing our report in terms of section 143(5) of the Act, on the directions issued by the Comptroller and Auditor General of India, in "Annexure C" attached.

**For Dhawan & Co.**

Chartered Accountants  
ICAI Firm Registration No.: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

M. No. : 073740

ICAI UDIN : 21073740AAAACK7956

Place : New Delhi

Date : June 29, 2021

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in Paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date on the accounts of NBCC (India) Limited (herein referred to as the company), for the year ended March 31, 2021)

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets (PPE).
- (b) According to the information and explanations given to us, physical verification of property, plant & equipment is being conducted annually, which, in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title / lease deeds of the immovable properties (as disclosed in Note 2 on Property, Plant & Equipment to the financial statements) are held in the name of the company except in cases given below:

(₹ In Lakh)

| In Case of Land                                     |            |           |
|---|------------|-----------|
| <b>Total number of cases :</b>                      | 2          | 1         |
| <b>Whether Lease hold/free hold :</b>               | Lease Hold | Free Hold |
| Gross Carrying Amount (at cost, as at 31.03.2021) : | 544.53     | 1218.73   |
| Net Book Value ( as at 31.03.2021)                  | 522.28     | 1218.73   |
| <b>In Case of Building:</b>                         |            |           |
| <b>Total number of cases :</b>                      | 1          | 2         |
| <b>Whether Lease hold/free hold :</b>               | Lease Hold | Free Hold |
| Gross Carrying Amount (at cost, as at 31.03.2021) : | 687.66     | 380.39    |
| Net Book Value ( as at 31.03.2021)                  | 633.31     | 345.54    |

- ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii) According to the information given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, provisions of clause (iii) (a), (iii) (b) and (iii) (c) of paragraph 3 of the Order are not applicable to the company.
- iv) The company has not granted any loans, or made any investments, or provided any guarantee or security to the parties covered under the provisions of the section 185 and 186 of the Companies Act, 2013. Therefore, provisions of clause (iv) of paragraph 3 of the Order are not applicable to the company.
- v) According to the information and explanations given to us and the records examined by us, the company has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 and the rules framed thereunder. Accordingly, provisions of clause 3(v) of the Order are not applicable to the company.
- vi) We have broadly reviewed the books of accounts maintained by the company in respect of Engineering, Procurement and Construction (EPC) Division and Real Estate Division where, pursuant to the rules made by the Central Government, the maintenance of cost records has been specified under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been so made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete. For Project Management and Consultancy (PMC) division, we have been informed that these activities are carried on back to back basis by sub- contractors appointed by the company. Hence, the company is not required to maintain cost records for the said division.

- vii) (a) According to the information and explanations given to us and the records of the company produced before us for verification, in our opinion, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, goods & service tax, cess and other material statutory dues, as applicable to it and there are no undisputed statutory dues outstanding as on 31st March 2021 for a period of more than six months from the date, they became payable. We have been informed that the provisions of Employees State Insurance Act are not applicable to the company.
- (b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of income tax, value added tax, service tax and goods and service tax as at 31st March 2021, which have not been deposited on account of dispute are as under:

| Name of the Statutes      | Nature of Dues        | Period to which the amount relates | ₹. In Lakh | Pending Forum                                   |
|---------------------------|-----------------------|------------------------------------|------------|---|
| Finance Act, 1994         | Service Tax           | 2007-08 to 2011-12                 | 153.74     | CESTAT, Ranchi                                  |
|                           |                       | 2005-06 to 2007-08                 | 835.48     | CESTAT, Kolkata                                 |
|                           |                       | 2010-11 to 2014-15                 | 871.00     | Commissioner, Patna                             |
|                           |                       | 2012-13 to 2016-17                 | 1169.25    | Commissioner, Service Tax Mumbai                |
|                           |                       | 2007-08 to 2013-14                 | 480.08     | Hon'ble Supreme Court                           |
|                           |                       | 2010-11 to 2014-15                 | 285.31     | CESTAT, Allahabad, U.P.                         |
|                           |                       | 2015-16                            | 17.44      | Commissioner (Appeals), U.P                     |
|                           |                       | 2016-17                            | 121.00     | Commissioner of Central Tax (Appeals-II), Delhi |
|                           |                       | 2001 -02 to 2003-04                | 574.00     | CESTAT  |
|                           |                       | 2006-07 to 2011-12                 | 86.17      | CESTAT, Kolkata                                 |
| Jharkhand VAT Act, 2005   | Value Added Tax (VAT) | 2008-09 to 2014-15                 | 1220.42    | Jt. Commissioner of Commercial Taxes, Jharkhand |
|                           | Value Added Tax (VAT) | 2012-13                            | 2.66       | Commissioner (Appeals), Jharkhand               |
|                           |                       | 2016-17                            | 663.12     | Deputy Commissioner Commercial Tax, Jharkhand   |
| West Bengal VAT Act, 2003 | Value Added Tax (VAT) | 2009-10 to 2014-15                 | 4495.06    | West Bengal Tax Tribunal                        |
|                           |                       | 2008-09                            | 49.87      |   |
|                           |                       | 2009-10                            | 42.72      |   |
| Maharashtra VAT Act, 2002 | Value Added Tax (VAT) | 2012-13                            | 135.24     | Commissioner of Sales Tax Department, Mumbai    |
|                           |                       | 2013-14                            | 41.32      |   |
|                           |                       | 2015-16                            | 396.38     |   |
|                           |                       | 2016-17                            | 324.01     | Commissioner of Sales Tax Department, Mumbai    |

| Name of the Statutes         | Nature of Dues        | Period to which the amount relates | ₹. In lakh  | Pending Forum   |
|------------------------------|-----------------------|------------------------------------|---|---|
| Karnataka VAT Act, 2003      | Value Added Tax (VAT) | 2008-09                            | 298.47  | Karnataka Appellate Tribunal  |
|                              |                       | 2012-13                            | 59.67   |   |
| Delhi VAT Act, 2004          | Value Added Tax (VAT) | 2013-14 & 2014-15                  | 40,480.18   | Appellate Tribunal VAT, New Delhi                                     |
| Madhya Pradesh VAT Act, 2002 | Value Added Tax (VAT) | 2013-14                            | 100.51  | Appellate Deputy Commissioner of Commercial Tax, Satna                |
|                              |                       | 2014-15                            | 39.87   |   |
|                              |                       | 2015-16                            | 17.97   |   |
|                              | Value Added Tax (VAT) | 2009-10                            | 5.42  | 1st appeal with Adl. Comm. Gr-II (Appeal), Jhansi filed on 05.03.2020 |
| Value Added Tax (VAT)        | 2013-14               | 65.88                              | 1st appeal with Adl. Comm. Gr-II (Appeal), Jhansi filed on 05.03.2020 |   |
| Uttar Pradesh VAT Act, 2008  | Value Added Tax (VAT) | 2010-11                            | 22.40   | Additional Commissioner of Commercial Tax                             |
|                              |                       | 2011-12                            | 51.34   |   |
|                              |                       | 2012-13                            | 18.64   |   |
|                              |                       | 2013-14                            | 274.08  | Commercial Tax Department, UP   |
| Rajasthan VAT Act, 2003      | Value Added Tax (VAT) | 2002-03                            | 16.26   | Writ Petition is pending in HC, Jaipur                                |
| Goods & Services Tax         | Goods & Services Tax  | 2017-18                            | 840.99  | Suptd. of Taxes-Tripura   |
|                              |                       | 2018-19                            | 2,205.36  | Advance Ruling of Delhi Authority                                     |
| Income Tax Act, 1961         | Income Tax Act        | 2014-15                            | 158.06  | ITAT  |
|                              |                       | 2012-13                            | 47.81   | ITAT  |
|                              |                       | 2013-14                            | 125.73  | CIT(A)  |
|                              |                       | 2016-17                            | 150.89  | CIT(A)  |
|                              |                       | 2011-12                            | 739.60  | Hon'ble Delhi High Court  |
|                              |                       | 2015-16                            | 27.88   | ITAT  |
|                              |                       | 2012-13                            | 76.46   | ITAT  |

- viii) In our opinion and according to the information and explanations given to us, the company has not defaulted on repayment of dues to banks. Further, the company has not issued any debentures during the year.
- ix) During the year, the company has not raised any money through initial public offer or further public offer (including debt instruments) and term loans. Therefore, provisions of clause (ix) of paragraph 3 of the Order relating to utilization of moneys raised by way of initial public offer or further public offer including debt instruments and term loans is not applicable to the company.

- x) During the course of our examination of the books and records of the company in accordance with generally accepted auditing practices in India and according to the information and explanations given to us and as represented by the management, no case of frauds by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi) The company being a Government company, provisions of clause no. (xi) of para 3 of the Order regarding section 197 of the Companies Act, 2013 relating to managerial remuneration is not applicable to the company in view of Notification no. G.S.R. 463(E) dated 05.06.2015.
- xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company and therefore, the provisions of clause (xii) of para 3 of the Order are not applicable to the company;
- xiii) According to the records of the company examined by us and the information and explanations given to us, the related party transactions entered into by the company during the year have been entered at arm's length basis in ordinary course of business and are in compliance with section 177 and 188 of the Companies Act, 2013 and have been disclosed in the standalone Ind AS financial statements;
- xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and accordingly the provisions of clause (xiv) of para 3 of the Order are not applicable to the company;
- xv) The company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause (xv) of para 3 of the Order are not applicable to the company;
- xvi) According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

***For Dhawan & Co.***

***Chartered Accountants***

***ICAI Firm Registration No.: 002864N***

***Sunil Gogia***

***(Partner)***

***M. No. : 073740***

***ICAI UDIN : 21073740AAAACK7956***

***Place : New Delhi***

***Date : June 29, 2021***

**“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NBCC (INDIA) LIMITED (hereinafter referred to as COMPANY)**

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

We have audited the internal financial controls with reference to standalone financial statements of NBCC (INDIA) LIMITED as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The company’s management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statement criteria established by the company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the company’s internal financial controls with reference to standalone financial statement based on our audit. We conducted our audit in accordance with the Guidance Note and standard on auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

**Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone 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 unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to standalone financial statements 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 (the "Guidance Note").

### **For Dhawan & Co.**

Chartered Accountants  
ICAI Firm Registration No.: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

M. No. : 073740

ICAI UDIN : 21073740AAAACK7956

Place : New Delhi

Date : June 29, 2021

**“ANNEXURE – C” TO INDEPENDENT AUDITOR’S REPORT**

**Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of NBCC (India) Limited for the year 2020-21 issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013**

| S. No. | Areas Examined  | Replies  | Impact on financial statements |
|--------|---|--|--------------------------------|
| 1      | Whether the Company has system in place to process all the accounting transactions through IT system. If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated.   | The company has an in house developed ERP system to process all the accounting transactions through IT system. For billing, the company has a separate web portal ‘Online Billing’ and said bill is posted manually in books in ERP. Some manual intervention is necessitated for valuation of inventories; however, accounting entries for the same are also processed through ERP. | Nil                            |
| 2      | Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for ? (In case, lender is a Government Company, then this direction is also applicable for Statutory Auditor of lender company) | There are no cases of restructuring of any loan or cases of waiver / write off of debts / loans / interest etc. made by any lender due to the company’s inability to repay the loan.   | Nil                            |
| 3      | Whether fund received / receivable for specific schemes from Central / State agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.  | The company has not received any fund for specific schemes from Central / State Agencies during the year.  | Nil                            |

**For DHAWAN & CO.**

Chartered Accountants  
ICAI Firm Registration No.: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

M. No. : 073740

ICAI UDIN : 21073740AAAACK7956

Place : New Delhi

Date : June 29, 2021



## Balance Sheet as at March 31, 2021

(₹ in lakh)

|            | Particulars   | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|------------|---|----------|----------------------|----------------------|
| <b>I.</b>  | <b>ASSETS</b>   |          |                      |                      |
| <b>1</b>   | <b>Non-Current Assets</b>   |          |                      |                      |
| (a)        | Property, Plant and Equipment   | 2        | 5,676.51             | 5,866.77             |
| (b)        | Investment Property   | 3        | 158.78               | 161.48               |
| (c)        | Financial Assets  |          |                      |                      |
| (i)        | Investments   | 4        | 33,200.03            | 33,354.24            |
| (ii)       | Other Financial Assets  | 5        | 1,35,056.57          | 1,24,703.31          |
| (d)        | Deferred Tax Asset (Net)  | 6        | 30,106.54            | 30,294.47            |
| (e)        | Non Current Tax Assets (Net)  | 7        | -                    | 2,812.59             |
|            |   |          | <b>2,04,198.43</b>   | <b>1,97,192.86</b>   |
| <b>2</b>   | <b>Current Assets</b>   |          |                      |                      |
| (a)        | Inventories   | 8        | 1,69,356.48          | 1,76,737.47          |
| (b)        | Financial Assets  |          |                      |                      |
| (i)        | Investments   | 9        | 154.21               | 1,000.00             |
| (ii)       | Trade Receivables   | 10       | 1,63,854.35          | 1,36,469.90          |
| (iii)      | Cash and Cash Equivalents   | 11       | 1,98,341.10          | 1,68,422.49          |
| (iv)       | Other Bank Balances   | 12       | 735.54               | 7,666.51             |
| (v)        | Other Financial Assets  | 13       | 9,712.22             | 13,235.53            |
| (c)        | Current Tax Assets (Net)  | 14       | 11,258.98            | 5,795.46             |
| (d)        | Other Current Assets  | 15       | 72,185.21            | 68,796.84            |
|            |   |          | <b>6,25,598.09</b>   | <b>5,78,124.20</b>   |
| (e)        | Assets held for Sale  | 16       | 1,219.95             | 1,221.22             |
|            |   |          | <b>6,26,818.04</b>   | <b>5,79,345.42</b>   |
|            | <b>TOTAL ASSETS</b>   |          | <b>8,31,016.47</b>   | <b>7,76,538.28</b>   |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>   |          |                      |                      |
| <b>1</b>   | <b>Equity</b>   |          |                      |                      |
| (a)        | Equity Share capital  | 17       | 18,000.00            | 18,000.00            |
| (b)        | Other Equity  |          | 1,51,150.15          | 1,34,360.51          |
|            | <b>Total Equity</b>   |          | <b>1,69,150.15</b>   | <b>1,52,360.51</b>   |
| <b>2</b>   | <b>Liabilities</b>  |          |                      |                      |
|            | <b>Non-Current Liabilities</b>  |          |                      |                      |
| (a)        | Financial Liabilities   |          |                      |                      |
| (i)        | Other Financial Liabilities   | 18       | 13.28                | 8.57                 |
| (b)        | Provisions  | 19       | 11,101.54            | 9,776.81             |
| (c)        | Other non-current liabilities   | 20       | 11,659.92            | 11,408.64            |
|            |   |          | <b>22,774.74</b>     | <b>21,194.02</b>     |
|            | <b>Current Liabilities</b>  |          |                      |                      |
| (a)        | Financial Liabilities   |          |                      |                      |
| (i)        | Trade Payables  |          |                      |                      |
|            | - Total outstanding dues of Small Enterprises and Micro enterprises.                      |          | 74.52                | 12.67                |
|            | - Total outstanding dues of creditors other than small enterprises and micro enterprises. | 21       | 2,12,071.46          | 2,15,122.94          |
| (ii)       | Other Financial Liabilities   | 22       | 87,670.38            | 88,945.85            |
| (b)        | Other Current Liabilities   | 23       | 3,35,605.53          | 2,94,308.14          |
| (c)        | Provisions  | 24       | 3,669.69             | 4,594.15             |
|            |   |          | <b>6,39,091.58</b>   | <b>6,02,983.75</b>   |
|            | <b>TOTAL EQUITY &amp; LIABILITIES</b>   |          | <b>8,31,016.47</b>   | <b>7,76,538.28</b>   |

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 50

For and on behalf of the Board of Directors

Sd/-

**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-

**B. K. SOKHEY**  
Director (Finance) / CFO  
(DIN : 06955670)

Sd/-

**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
For DHAWAN & CO.

Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-

**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi  
Date : June 29, 2021

## Statement of Profit and Loss for the year ended on March 31, 2021

(₹ in lakh)

|      | Particulars   | Note No. | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|------|---|----------|---|---|
| I    | Revenue From Operations   |          |   |   |
|      | Value of Services   | 25       | 4,88,323.97                             | 5,17,972.40                             |
|      | Other Operating Revenues  | 26       | 6,421.23                                | 3,061.13                                |
| II   | Other Income  | 27       | 17,262.70                               | 23,509.49                               |
| III  | <b>Total Income (I + II)</b>  |          | <b>5,12,007.90</b>                      | <b>5,44,543.02</b>                      |
| IV   | <b>Expenses:</b>  |          |   |   |
|      | Land Purchased & Materials Consumed   | 28       | 131.61                                  | 814.89                                  |
|      | Change in Inventories of Real Estate Projects                                     | 29       | 4,810.91                                | 4,635.52                                |
|      | Work & Consultancy Expenses   | 30       | 4,46,912.24                             | 4,74,280.05                             |
|      | Employee Benefits Expense   | 31       | 23,830.70                               | 25,372.14                               |
|      | Finance Costs   | 32       | 660.08                                  | 666.02                                  |
|      | Depreciation and Amortisation Expense   | 2 & 3    | 231.05                                  | 277.41                                  |
|      | Other Expenses  | 33       | 8,811.32                                | 13,966.40                               |
|      | Write Offs  | 34       | 2,175.23                                | 402.23                                  |
|      | <b>Total Expenses (IV)</b>  |          | <b>4,87,563.14</b>                      | <b>5,20,414.66</b>                      |
| V    | <b>Profit before Exceptional Items and Tax (III-IV)</b>                           |          | <b>24,444.76</b>                        | <b>24,128.36</b>                        |
| VI   | Exceptional Items   |          | -                                       | -                                       |
| VII  | <b>Profit before Tax (V + VI)</b>   |          | <b>24,444.76</b>                        | <b>24,128.36</b>                        |
| VIII | Tax Expense:  | 35       |   |   |
|      | (1) Current Tax   |          | 6,062.90                                | 6,379.34                                |
|      | (2) Deferred Tax  |          | 183.38                                  | 9,762.24                                |
|      | (3) Taxation in respect of Earlier Years  |          | (1,975.88)                              | -                                       |
| IX   | <b>Profit / (Loss) for the Period from Continuing Operations (VII-VIII)</b>       |          | <b>20,174.36</b>                        | <b>7,986.78</b>                         |
| X    | Profit / (Loss) from discontinued operations                                      |          | -                                       | -                                       |
| XI   | Tax expenses of discontinued operations   |          | -                                       | -                                       |
| XII  | <b>Profit / (Loss) from discontinued operations (after tax) (X-XI)</b>            |          | <b>-</b>                                | <b>-</b>                                |
| XIII | <b>Profit / (Loss) for the Period (IX+XII)</b>                                    |          | <b>20,174.36</b>                        | <b>7,986.78</b>                         |
| XIV  | <b>Other Comprehensive Income</b>   | 36       |   |   |
|      | A (i) Items that will not be reclassified into Profit or Loss                     |          | (1,293.90)                              | 635.89                                  |
|      | (ii) Income tax relating to items that will not be reclassified to profit or loss |          | 325.65                                  | (160.04)                                |
|      | B (i) Items that will be reclassified into Profit or Loss                         |          | 18.08                                   | 187.96                                  |
|      | (ii) Income tax relating to items that will be reclassified to profit or loss     |          | (4.55)                                  | (63.29)                                 |
| XV   | <b>Total Comprehensive Income for the period (XIII+XIV)</b>                       |          | <b>19,219.64</b>                        | <b>8,587.30</b>                         |
| XVI  | Earnings per Share (Face value of ₹ 1/- per Equity Share)                         | 37       |   |   |
|      | (1) Basic (in ₹)  |          | 1.12                                    | 0.44                                    |
|      | (2) Diluted (in ₹)  |          | 1.12                                    | 0.44                                    |

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 50

For and on behalf of the Board of Directors

Sd/-

**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-

**B. K. SOKHEY**  
Director (Finance)/ CFO  
(DIN : 06955670)

Sd/-

**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
For DHAWAN & CO.

Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-

**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi  
Date : June 29, 2021

## Statement of Changes in Equity as at March 31, 2021

### A. Equity Share Capital

(₹ in lakh)

| Particulars                  | Balance at the beginning of Reporting Period | Changes in Equity Share Capital during the year | Balance at the end of Reporting Period |
|------------------------------|--|---|--|
| Balance as at March 31, 2020 | 18,000.00                                    | -   | 18,000.00                              |
| Balance as at March 31, 2021 | 18,000.00                                    | -   | 18,000.00                              |

### B. Other Equity

(₹ in lakh)

| Particulars  | Reserves and Surplus |                   | Other Comprehensive Income (OCI)       |  | Total             |
|--|----------------------|-------------------|--|--|-------------------|
|  | General Reserve      | Retained Earnings | Remeasurement of Defined Benefit Plans | Exchange difference on translation of Foreign Operations |                   |
| Balance as at April 1, 2019  | 38,515.99            | 1,02,356.67       | (2,285.48)                             | (106.38)   | 138,480.80        |
| Profit for the period  | -                    | 7,986.78          | -                                      | -  | 7,986.78          |
| Transitional Adjustment of Ind AS 12                                   | -                    | (276.10)          | -                                      | -  | (276.10)          |
| Other Comprehensive Income (OCI)                                       | -                    | -                 | 635.89                                 | 187.96   | 823.85            |
| Income Tax on Items of OCI   | -                    | -                 | (160.04)                               | (63.29)  | (223.33)          |
| Dividend paid including Interim Dividend and Dividend Distribution Tax | -                    | (12,431.49)       | -                                      | -  | (12,431.49)       |
| Transfer from Retained Earnings  | -                    | -                 | -                                      | -  | -                 |
| <b>Balance as at March 31, 2020</b>                                    | <b>38,515.99</b>     | <b>97,635.86</b>  | <b>(1,809.63)</b>                      | <b>18.29</b>   | <b>134,360.51</b> |
| Profit for the period  | -                    | 20,174.36         | -                                      | -  | 20,174.36         |
| Other Comprehensive Income (OCI)                                       | -                    | -                 | (1,293.90)                             | 18.08  | (1,275.82)        |
| Income Tax on Items of OCI   | -                    | -                 | 325.65                                 | (4.55)   | 321.10            |
| Dividend paid  | -                    | (2,430.00)        | -                                      | -  | (2,430.00)        |
| <b>Balance as at March 31, 2021</b>                                    | <b>38,515.99</b>     | <b>115,380.22</b> | <b>(2,777.88)</b>                      | <b>31.82</b>   | <b>151,150.15</b> |

For and on behalf of the Board of Directors

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance)/ CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
For DHAWAN & CO.  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-  
**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi  
Date : June 29, 2021

## Statement of Cash Flows for the year ended on March 31, 2021

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the company are segregated.

(₹ in lakh)

| Particulars  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>A. Net Profit Before tax and Exceptional items</b>                        | <b>24,444.76</b>                        | 24,128.36                               |
| Adjustment for:  |   |   |
| Exchange difference on translation of Foreign Operations                     | 18.08                                   | 187.96                                  |
| Depreciation   | 231.05                                  | 277.41                                  |
| Net (Gain) / Loss on Sale of Assets  | 0.46                                    | (711.79)                                |
| Provisions / (Write Back) for Research & Development (Net)                   | (1,074.45)                              | 384.11                                  |
| Provision for Impairment of Trade Receivables                                | 1,245.56                                | 4,832.50                                |
| Provision for Impairment of Inventories                                      | 1,539.85                                | 1,825.75                                |
| Provision for Impairment of Work-in-Progress                                 | 962.19                                  | -                                       |
| Provision for Impairment of Other Financial Assets (Net)                     | 373.39                                  | 2,018.20                                |
| Provision Others   | 5.00                                    | -                                       |
| Provision for Loans & Advances (Net)   | 173.04                                  | 484.39                                  |
| Provision for Loans to Subsidiary  | -                                       | 51.84                                   |
| Provision for Investments  | -                                       | 137.83                                  |
| Provision / (Write Back) for Warranty Charges                                | (97.00)                                 | (653.00)                                |
| Provision / (Write Back) for Onerous Contracts                               | (22.63)                                 | -                                       |
| Provision for CSR Expenses   | 1,235.06                                | -                                       |
| Finance Cost   | 660.08                                  | 666.02                                  |
| Interest Received  | (14,365.50)                             | (14,949.93)                             |
| Rent   | (516.12)                                | (434.61)                                |
| Distribution from Joint Venture  | (14.00)                                 | (518.95)                                |
| Dividend Received  | (2,364.82)                              | (7,040.58)                              |
| Provisions for Employee Benefits (Net of Payments)                           | (174.36)                                | (250.96)                                |
| Expenditure on CSR Activities  | (723.18)                                | -                                       |
| Expenditure on Research & Development Activities                             | (39.37)                                 | (66.52)                                 |
| <b>Operating Profit before Working Capital Changes</b>                       | <b>11,497.09</b>                        | 10,368.03                               |
| Adjustment for:  |   |   |
| Decrease /(Increase) in Other Financial Assets (Non Current)                 | (10,268.06)                             | (4,769.46)                              |
| Decrease/(Increase) in Non Current Tax Assets                                | 2,812.59                                | 3,470.36                                |
| Decrease/(Increase) in Inventories   | (122.00)                                | (280.75)                                |
| Decrease/(Increase) in Work-in-Progress                                      | 5,000.95                                | 5,288.11                                |
| Decrease/(Increase) in Trade receivables                                     | (31,619.12)                             | 63,742.02                               |
| Decrease/(Increase) in Other Financial Assets                                | 3,112.82                                | (11,515.24)                             |
| Decrease/(Increase) in Current Tax Assets                                    | (4,096.11)                              | (3,396.85)                              |
| Decrease/(Increase) in Other Current Assets                                  | (3,566.41)                              | (6,119.48)                              |
| (Decrease) /Increase in Other Financial Liabilities (Non - Current)          | 4.71                                    | -                                       |
| (Decrease)/Increase in Other Non Current Liabilities                         | 909.15                                  | 1,206.83                                |
| (Decrease)/ Increase in Provisions-Non Current                               | 2.30                                    | 0.70                                    |
| (Decrease) /Increase in Trade payables                                       | (2,989.63)                              | (78,705.09)                             |
| (Decrease) /Increase in Other Financial Liabilities (Current)                | (1,246.37)                              | 4,181.15                                |
| (Decrease)/ Increase in Provisions-Current                                   | -                                       | -                                       |
| (Decrease) /Increase in Other Current Liabilities                            | 40,637.31                               | 24,928.86                               |
| (Decrease) /Increase in Liabilities Associated with the Assets held for Sale | -                                       | (385.25)                                |

| Particulars  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>Cash generated from Operations</b>  | <b>10,069.22</b>                        | 8,013.94                                |
| Direct Taxes Paid  | (1,500.00)                              | (2,900.98)                              |
| <b>Net Cash from Operating Activities (A)</b>  | <b>8,569.22</b>                         | 5,112.96                                |
| <b>B. Cash Flows from Investing Activities:</b>  |   |   |
| Receipt related to Subsidiaries and Joint Ventures   | -                                       | 1,113.36                                |
| Payment related to Subsidiaries and Joint Ventures   | -                                       | (245.26)                                |
| Distribution received from Subsidiaries and Joint Ventures (Net of Tax Deducted at Source) | <b>2,275.37</b>                         | 7,536.27                                |
| Capital Advance for Purchase of Property, Plant and Equipment                              | -                                       | (349.02)                                |
| Purchase of Property, Plant and Equipment  | (38.09)                                 | (18.89)                                 |
| Assets Held for Sale   | <b>0.81</b>                             | -                                       |
| Sale of Property, Plant and Equipment  | -                                       | 2,890.92                                |
| Loan Disbursed to Subsidiary   | -                                       | (80.00)                                 |
| Repayment of Loan by Subsidiary  | -                                       | 30.00                                   |
| Interest received on Loan to Subsidiary  | -                                       | 0.52                                    |
| Flexi Bank Deposit having Original Maturity more than 3 months and upto 12 Months          | <b>6,635.40</b>                         | 5,832.83                                |
| Fixed Bank Deposit having Original Maturity more than 3 months and upto 12 Months          | <b>295.57</b>                           | 14.88                                   |
| Flexi Bank Deposit having Original Maturity more than 12 months                            | <b>37.10</b>                            | (36.70)                                 |
| Fixed Bank Deposit having Original Maturity more than 12 months                            | (85.20)                                 | -                                       |
| Investment in Liquid Fund Cash Plan  | <b>1,000.00</b>                         | 501.47                                  |
| Interest Received (Net of Tax Deducted at Source)  | <b>13,858.35</b>                        | 14,270.41                               |
| Rent (Net of Tax Deducted at Source)   | <b>480.97</b>                           | 399.31                                  |
| Dividend Received  | <b>6.08</b>                             | 23.26                                   |
| <b>Net Cash from Investing Activities (B)</b>  | <b>24,466.36</b>                        | <b>31,883.36</b>                        |
| <b>C. Cash Flows from Financing Activities:</b>  |   |   |
| Dividend on Equity Shares paid (Including Dividend Distribution Tax)                       | (2,430.00)                              | (12,431.49)                             |
| Finance Cost   | (657.87)                                | (662.30)                                |
| Payments for the interest portion of the lease liability                                   | (2.21)                                  | (3.72)                                  |
| Payments for the principal portion of the lease liability                                  | (26.89)                                 | (27.04)                                 |
| <b>Net Cash from Financing Activities (C)</b>  | <b>(3,116.97)</b>                       | (13,124.55)                             |
| <b>Net Increase in Cash and Cash Equivalent (A) + (B) + (C)</b>                            | <b>29,918.61</b>                        | 23,871.77                               |
| <b>Cash and Cash Equivalents - Opening</b>   | <b>1,68,422.49</b>                      | 1,44,550.72                             |
| <b>Cash and Cash Equivalents - Closing</b>   | <b>1,98,341.10</b>                      | 1,68,422.49                             |
| <b>i) Cash and Cash Equivalents Includes:</b>  |   |   |
| a) Cash in Hand  | -                                       | -                                       |
| b) Remittances in Transit / Cheques in Hand  | <b>163.37</b>                           | 2,466.16                                |
| c) Balances / Fixed Deposit / Flexi Deposits/Call Deposits with Banks                      | <b>1,98,121.70</b>                      | 1,65,906.44                             |
| d) Balances with Bank in Unclaimed Dividend Account  | <b>56.03</b>                            | 49.89                                   |
| <b>Total</b>   | <b>1,98,341.10</b>                      | 1,68,422.49                             |

Note: Figures in brackets indicate cash outgo

Sd/-

**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

As per our Report of even date attached  
For DHAWAN & CO.

Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-

**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi  
Date : June 29, 2021

Sd/-

**B. K. SOKHEY**  
Director (Finance)/ CFO  
(DIN : 06955670)

For and on behalf of the Board of Directors

Sd/-

**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### Note - 1

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **1.1 NATURE OF PRINCIPAL ACTIVITIES**

NBCC (India) Limited (referred to as “NBCC” or “the Company” or “Parent Company”) is a Government of India Navratna Enterprise under the Ministry of Housing and Urban Affairs. The Company operates into three major segments namely Project Management Consultancy, Real Estate and Engineering Procurement & Construction.

##### **1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS**

The Company is incorporated and domiciled in India with registered office at New Delhi. The Company is headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Standalone Financial Statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Company has uniformly applied the Accounting Policies during the period presented.

Unless otherwise stated, all amounts are stated in Lakhs of Rupees.

The Standalone Financial Statements for the year ended 31st March 2021 were authorized and approved for issue by the Board of Directors on 29th June 2021.

##### **1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Standalone Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

##### **1.4 OVERALL CONSIDERATIONS**

The Standalone Financial Statements have been prepared using the significant Accounting Policies and measurement bases that are in effect at 31 March 2021, as summarised below:

##### **1.4.1 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount.

##### **1.4.2 FOREIGN CURRENCY TRANSLATION**

###### **Functional and Presentation Currency**

The Standalone Financial Statements are presented in Indian Rupee (‘INR’), which is company’s functional Currency.

###### **Foreign Currency Transactions and Balances**

Foreign Currency transactions are recorded in the reporting Currency, by applying to the Foreign Currency amount, the exchange rate between the Reporting Currency and the Foreign Currency at the date of the transaction.

Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a Foreign Currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognized as Income/ Expenses in the year in which they arise.

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### Foreign Operations

For the foreign operations, all assets and liabilities are translated into INR using the exchange rate prevailing at the reporting date and their Statement of Profit and Loss are translated at date of transaction/average rate prevailing over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

### 1.5 REVENUE RECOGNITION

The Company derives revenues primarily from Constructions contracts and Real Estate Projects. Construction contracts comprise of geotechnical investigations, topographical surveys, resource planning, preparation of DPR, obtaining statutory approvals, construction of the building, ratification of defects during defect liability period etc. (“together called as construction related services”). In case of Redevelopment construction contracts, sale of the redevelopment properties is also entrusted onto the company in addition to the construction related services. In Real Estate projects, the contract with customer comprises of delivery of residential/ commercial space, parking slots, after sale maintenance services etc.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

#### a) Project Management Consultancy

In case of PMC contracts, the Company undertakes to perform tasks such as geotechnical investigations, topographical surveys, resource-planning, preparing detailed engineering designs and supervising execution of works etc. For contracts where there is one performance obligation, revenue is recognized over time based on the input method of measuring progress as in these contracts, the customer receives and uses the benefits simultaneously.

Some redevelopment construction contracts include additional deliverables, such as marketing and publicity services or the services relating to appointment of real estate consultant, e-auction etc. of commercial and residential areas. These services are separately sold in the market with no dependence on the construction related services and therefore are accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. For marketing and publicity services, the performance obligation is to facilitate and manage the sale process on behalf of client. The performance obligation is satisfied at the time of booking of sale of unit on behalf of client. The revenue is recognized at a point in time when the performance obligation is completed.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

#### b) Real Estate Development

In real estate development contracts, there are multiple promises such as (a) Sale of property, (b) Sale of additional parking slots and (c) Maintenance services etc. These individual items are sold separately in market and add value to the customer on an individual basis. Therefore, these services are considered as separate performance obligations.

The revenue for these performance obligations is recognized based on the stand-alone selling prices.

Revenue for ‘sale of property’ and ‘sale of additional parking slots’ is recognized when control over the property has been transferred to the customer. The properties have generally no alternative use for the Company due to contractual restrictions. An enforceable right to payment does not arise until the transfer of control of property to customer. Revenue is recognized at a point in time when the possession is handed over to the customer including deemed possession.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### c) Engineering, Procurement and Construction (EPC)

Under EPC Contracts, the Company is required to construct, manufacture or develop an asset on behalf of a customer, which is considered as a single performance obligation as the bundle of goods or services represent the combined output for which the customer has contracted with the Company i.e. construction of the project/asset.

For EPC contracts, transaction price is the price which is contractually agreed with the customer for provision of services. The revenue is recognized over time based on the input method of measuring progress because in such contracts, the customer receives and uses the benefits as the Company performs its obligation.

#### Revenue includes:

1. Work done for which only letters of intent have been received, however, formal contracts / agreements are in the process of execution.
2. Work executed, and measured by the Company pending certification by the client.
3. Work executed but not measured/ partly executed is accounted for at engineering estimate.
4. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.

### 1.6 OTHER INCOME

#### Interest, Dividend and Rental income

Interest income is reported on an accrual basis using the Effective Interest Rate method. Interest income on mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate.

Interest income on bank deposits held on behalf of client is netted off from interest payable to client on such deposits.

Dividend income is recognised at the time the right to receipt is established. Rental income is recognised on a straight-line basis over the period of lease terms.

Other items of income are recognised in the statement of profit and loss when control of respective goods or service has been transferred to customer.

### 1.7 INTANGIBLE ASSETS

#### Recognition

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

#### Subsequent Measurement (Amortization)

Amortization on Intangible Assets is charged on the straight line method on the basis of rates arrived at with reference to the useful life of the assets evaluated and approved by the Management

| Asset category                 | Estimated useful life (in years) |
|--------------------------------|----------------------------------|
| <b>Other Intangible Assets</b> |                                  |
| Computer Software              | 3 Years                          |

#### De-recognition

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognized



## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### 1.8 PROPERTY, PLANT AND EQUIPMENT

#### Recognition

Properties Plant and Equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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

#### Subsequent measurement (Depreciation)

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

| Asset category  | Estimated useful life (in years) |
|---|----------------------------------|
| <b>Buildings</b>                                      |                                  |
| Building(other than factory buildings)                | 60 years                         |
| Other (including temporary structure, etc.)           | 03 years                         |
| <b>Plant and Machinery used in civil construction</b> | 12 years                         |
| <b>Furniture and fittings</b>                         | 10 years                         |
| <b>Motor Vehicles</b>                                 | 08 years                         |
| <b>Office equipment</b>                               | 05 years                         |
| <b>Computers and data processing units</b>            |                                  |
| Servers and networks                                  | 06 years                         |
| End user devices viz. desktops, laptops, etc.         | 03 years                         |

Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto INR 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### De-Recognition

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the asset is derecognised.

### 1.9 INVESTMENT PROPERTY

#### Recognition

Investment Properties are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

#### Subsequent Measurement (Depreciation)

Depreciation on Investment Property is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates are arrived at based on useful life prescribed under Part C of Schedule II of the Companies

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

| Asset category                              | Estimated useful life (in years) |
|---|----------------------------------|
| <b>Buildings</b>                            |                                  |
| Building (other than factory buildings)     | 60 years                         |
| Other (including temporary structure, etc.) | 03 years                         |

The residual values, useful lives and methods of depreciation of investment properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

### De-Recognition

An item of Investment Property and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

## 1.10 LEASES

### Company as a Lessee

At inception of a contract, the company assess whether the contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Recognition:

##### 1. "Right of Use (ROU) Asset":

At the commencement date, the company recognizes a right-of-use asset and a lease liability, except:

- For lease with a term of twelve months or less (Short term leases) and,
- Leases for which the underlying asset is of low value

For short term lease and assets of low value the company recognizes the lease payments as an operating expenses on a straight-line basis over the term of lease.

##### 2. "Lease Liability":

At the commencement date, the company measures the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments are discounted using the effective interest rate.

#### Subsequent measurement

##### 1. "Right of Use (ROU) Asset":

After the commencement date, the company measure the right-of-use asset at cost less any accumulated depreciation and is subject to impairment losses.

##### 2. "Lease Liability"

After the commencement date, the company measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liability is re-measured if there is a modification, a change in the lease term, a change in lease payments.

After the commencement date, the interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### De-Recognition

A right of use assets initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the right of use assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the right of use asset is derecognized.

### Company as a Lessor

The company recognises assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The company further recognises finance income over the lease term, based on straight-line basis reflecting a constant periodic rate of return on the net investment in the lease.

### Operating lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized.

Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

## 1.11 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

## FINANCIAL INSTRUMENTS

### Financial Assets

#### Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs.

#### Subsequent Measurement

**i. Debt instruments at Amortised Cost**— A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments measured are Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit And Loss (FVTPL) based on Company's business model.

**ii. Equity Investments** — All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on an instrument to instrument basis.

**iii. Mutual Funds** — All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### De-recognition of Financial Assets

A Financial Asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### Financial Liabilities

#### Initial recognition and measurement

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

#### Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate method.

### De-recognition of Financial Liabilities

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Other Operating Revenues.

Further when an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.12 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers the following

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### Trade Receivables

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

### Other Financial Assets

For recognition of impairment loss on Other Financial Assets and Risk Exposure, the Company determines whether

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

### 1.13 INVENTORIES

#### Inventories are valued as under:

**Land Bank** — It consists of asset purchased by the Company that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

**Work in Progress** — Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

Direct Materials, Stores and Spare Parts are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.

Consumables including Catering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realizable value of such inventories.

### 1.14 INCOME TAXES

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax and Current Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred Income Taxes are calculated using Balance Sheet Approach. The Current Tax and Deferred Tax so calculated are adjusted for the uncertainty of tax treatment by the tax authorities at each reporting date.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income.

This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

### 1.15 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.16 EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity include Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

measurement of defined benefit liability and return on plan assets.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### 1.17 NON CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumptions.

### 1.18 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

#### Defined Contribution Plan

Company's Contribution paid/payable during the year to Provident Fund, EPS 1995 and Company's Pension Scheme is recognised in the Statement of Profit and Loss for the year in which the related services are rendered. The same is paid to a fund administered through separate trusts and by EPFO.

#### Defined Benefit Plan

Company's liability towards Gratuity, Post-Retirement Medical Benefits and TA on Superannuation are determined by independent actuary, at the year-end using the Projected Unit Credit Method.

Actuarial gains or losses are recognised in the Other Comprehensive Income. Liability for Gratuity as per actuarial valuation is paid to a fund administered through a separate Trust.

#### Other Long-Term Benefits

Company's liability towards Leave (Earned and Sick) and Long Service Awards is determined by independent actuary, at the year-end using the Projected Unit Credit Method. Actuarial gains or losses are recognised in the Profit and Loss.

#### Short Term Employee Benefits

Short term benefits comprise of employee costs such as Salaries, Bonus, PU, PRP and Short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Company.

#### Employee Separation Costs

Ex-gratia to employees who have opted for retirement under the Voluntary Retirement Scheme of the Company is charged to Statement of Profit and Loss in the year of acceptance of the option by the management.

### 1.19 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions recognised by the Company include provisions for Warranties, Research & Development, Contingencies, Onerous Contracts and Corporate Social Responsibility (CSR). A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are

**Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021**

reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent Liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

**1.20 ARBITRATION AWARDS**

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Govt of India, is accounted for on finalization of award by the appellate authority. Interests to/from in these cases are accounted when the payment is probable which the point is when matter is considered settled by management.

**1.21 LIQUIDATED DAMAGES**

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

**1.22 PRIOR PERIOD EXPENDITURE INCOME**

Expenditures / Incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

**1.23 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY**

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying Financial Statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialize in accordance with applicable Indian Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Significant Management Judgements**

The following are Significant Management Judgements in applying the Accounting Policies of the Company that have the most significant effect on the Financial Statements:

**Recognition of Deferred Tax Assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for Impairment of Assets** — The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Property, Plant and Equipment** - Management assess the remaining useful lives and residual value of property, plant and equipment and believes that the assigned useful lives and residual value are reasonable .

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

### Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Revenue Recognition** — Where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

**Recoverability of Advances Receivables** — The Project heads, Zonal heads and Regional/Strategic Business groups from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

**Defined Benefit Obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

**Contingencies** - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**Provisions for Warranties**- Management's estimate of the warranties is based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses.

**Liquidated Damages** - Liquidated Damages receivables are estimated and recorded as per contractual terms; estimate may vary from actual as levy on contractor.

### 1.24 STANDARDS ISSUED AND ARE EFFECTIVE

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2020 has notified amendments to certain Ind AS. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2020. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

#### 1. Amendments to Ind AS 1 and Ind AS 8

##### Definition of Materiality:

The amendments provide a new definition of materiality that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the company.

#### 2. Amendments to Ind AS 103:

##### Definition of a Business:

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the



### Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the company, but may impact future periods had the Company enter into any business combinations.

#### 3. Amendments to Ind AS 107 and Ind AS 109

##### Interest Rate Benchmark Reform:

Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

#### 4. Amendments to Ind AS 116

##### Covid-19 Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The company do not observe any such case during the year hence there is no impact of the amendment.

#### 5. Conceptual Framework for Financial Reporting

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Company.

#### 6. Amendments to CSR requirement

The Ministry of Corporate Affairs (MCA) has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 through a notification dated 22 January 2021, these amendments have introduced some significant changes that require better understanding to ensure compliance. The amendments, amongst others, mandatorily require utilisation of the unspent amount earmarked for CSR activities, failing which it would be transferred to a fund specified in Schedule VII of the Companies Act, 2013. Resultantly, the Company will have to make a provision towards unspent CSR spent, if any, at the end of the year, after deducting the provision created for the CSR activity completed, if applicable and as provided.

The amendments also permit a company which spends an amount in excess of the prescribed CSR amount of 2%, to set-off excess amount against the requirement to spend up to immediately succeeding three financial years subject to the fulfilment of certain conditions. As per the guidance issued by the ICAI, in case the Company, decides to adjust excess amount spent against future obligation, then an asset would have to be recognised to the

## Summary of Significant Accounting Policies and Other Explanatory Statements for the year ended March 31, 2021

extent of such excess amount spent.

### 1.25 STANDARDS ISSUED BUT NOT EFFECTIVE

1. On March 24, 2021, Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### A. Balance Sheet

- a. Lease liabilities should be separately disclosed under the head duly distinguished as current or non- current.
- b. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- c. Specified format for disclosure of shareholding of promoters.
- d. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f. Specific disclosure under regulatory such as compliance with approved schemes of arrangements compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc

#### B. Profit & Loss Account

- a. Additional Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income, and crypto or virtual currency specified under the head “additional information” in the Notes to Accounts forming part of the standalone financial statements.

The requirements are extensive and the company is evaluating the same for giving effect as required by the law.

2. On 18<sup>th</sup> June 2021, Ministry of Corporate Affairs (“MCA”) through a notification issued amendments to various IND AS. These amendments will come into force from 1st April 2021. The Company is currently evaluating the requirements of these amendments and the effect of the disclosure on the financial statements is being evaluated.

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 2

Property, Plant and Equipment:

Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows::

(₹ in lakh)

| Particulars  | Gross Carrying Amount (At Cost) |              |              |                      | Accumulated Depreciation / Amortisation |                     |              |                      | Net Book Value       |                      |
|--|---------------------------------|--------------|--------------|----------------------|---|---------------------|--------------|----------------------|----------------------|----------------------|
|  | As at April 1, 2020             | Additions    | Disposals    | As at March 31, 2021 | As at April 1, 2020                     | Charge for the Year | On Disposals | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| <b>a Property, Plant and Equipment</b>                         |                                 |              |              |                      |   |                     |              |                      |                      |                      |
| Land & Buildings   | 1,769.38                        | -            | -            | 1,769.38             | 46.33                                   | 9.56                | -            | 55.89                | 1,713.49             | 1,723.05             |
| Plant and Equipment  | 267.44                          | -            | -            | 267.44               | 175.79                                  | 24.02               | -            | 199.81               | 67.63                | 91.65                |
| Furniture and Fixtures   | 363.92                          | -            | -            | 363.92               | 118.53                                  | 33.19               | -            | 151.72               | 212.20               | 245.39               |
| Vehicles   | 53.64                           | -            | -            | 53.64                | 36.91                                   | 2.91                | -            | 39.82                | 13.82                | 16.73                |
| Office Equipment   | 576.49                          | 17.33        | -            | 593.82               | 420.27                                  | 63.86               | -            | 484.13               | 109.69               | 156.22               |
| Others (Office Furniture)                                      | 94.86                           | 7.57         | -            | 102.43               | 59.52                                   | 10.02               | -            | 69.54                | 32.89                | 35.34                |
| Temporary Hutment  | 49.65                           | -            | -            | 49.65                | 49.65                                   | -                   | -            | 49.65                | -                    | -                    |
| <b>Total (i)</b>   | <b>3,175.38</b>                 | <b>24.90</b> | <b>-</b>     | <b>3,200.28</b>      | <b>907.00</b>                           | <b>143.56</b>       | <b>-</b>     | <b>1,050.56</b>      | <b>2,149.72</b>      | <b>2,268.38</b>      |
| <b>b Property, Plant and Equipment (Under perpetual Lease)</b> |                                 |              |              |                      |   |                     |              |                      |                      |                      |
| Land*#   | 204.39                          | -            | -            | 204.39               | -                                       | -                   | -            | -                    | 204.39               | 204.39               |
| Buildings  | -                               | -            | -            | -                    | -                                       | -                   | -            | -                    | -                    | -                    |
| <b>Total (ii)</b>  | <b>204.39</b>                   | <b>-</b>     | <b>-</b>     | <b>204.39</b>        | <b>-</b>                                | <b>-</b>            | <b>-</b>     | <b>-</b>             | <b>204.39</b>        | <b>204.39</b>        |
| <b>c Right Of Use (ROU) Assets- Finance Lease**</b>            |                                 |              |              |                      |   |                     |              |                      |                      |                      |
| Land*#   | 1,997.80                        | -            | -            | 1,997.80             | 110.39                                  | 22.63               | -            | 133.02               | 1,864.78             | 1,887.41             |
| Buildings  | 1,578.52                        | -            | -            | 1,578.52             | 94.91                                   | 36.17               | -            | 131.08               | 1,447.44             | 1,483.61             |
| <b>TOTAL (iii)</b>   | <b>3,576.32</b>                 | <b>-</b>     | <b>-</b>     | <b>3,576.32</b>      | <b>205.30</b>                           | <b>58.80</b>        | <b>-</b>     | <b>264.10</b>        | <b>3,312.22</b>      | <b>3,371.02</b>      |
| <b>d Right Of Use (ROU) Assets - Other Lease**</b>             |                                 |              |              |                      |   |                     |              |                      |                      |                      |
| Buildings  | 48.96                           | 13.19        | 19.42        | 42.73                | 25.98                                   | 25.99               | 19.42        | 32.55                | 10.18                | 22.98                |
| <b>TOTAL (iv)</b>  | <b>48.96</b>                    | <b>13.19</b> | <b>19.42</b> | <b>42.73</b>         | <b>25.98</b>                            | <b>25.99</b>        | <b>19.42</b> | <b>32.55</b>         | <b>10.18</b>         | <b>22.98</b>         |
| <b>TOTAL (i+ii+iii+iv)</b>                                     | <b>7,005.05</b>                 | <b>38.09</b> | <b>19.42</b> | <b>7,023.72</b>      | <b>1,138.28</b>                         | <b>228.35</b>       | <b>19.42</b> | <b>1,347.21</b>      | <b>5,676.51</b>      | <b>5,866.77</b>      |
| Previous Year  | 8,119.92                        | 817.83       | 1,932.70     | 7,005.05             | 919.51                                  | 274.71              | 55.94        | 1,138.28             | 5,866.77             | -                    |

### Notes to the standalone Financial Statements for the year ended March 31, 2021

\*# No provision for amortisation has been made on land acquired under Perpetual Lease. Leasehold land is amortised on straight line basis over the unexpired period of their respective lease ranging from 85 - 90 years.

\*\*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

**Lease / Title Deeds for the following Land and Buildings appearing under the head Land & Building and Right of Use (ROU) Assets-Finance Lease are pending for execution in the name of Company:**

(₹ in lakh)

| Particulars  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| (i) Land at MBP, Mehrauli Road, Ghitorni, New Delhi. | 195.77               | 195.77               |
| (ii) Land at Raipur                                  | 348.76               | 348.76               |
| (iii) Land at Faridabad \$                           | 1,218.73             | 1,218.73             |
| (iv) Office Building at Arun Chambers, Mumbai        | 1.04                 | 1.04                 |
| (v) Office Building at Assam                         | 379.35               | 379.35               |
| (vi) Flats at Kidwai Nagar                           | 687.67               | 687.67               |
| <b>Total</b>   | <b>2,831.32</b>      | <b>2,831.32</b>      |

The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds made in respect of (ii) to (v).

\$ In view of Inordinate delay by Haryana Urban Development Authority (HUDA) to execute conveyance deed in favour of the Company, The Company has requested HUDA to cancel the allotment of land at Faridabad and refund the total amount paid with interest. Derecognition of the asset and consequent adjustments, however, shall be made upon receipt of payment from HUDA.

### Note - 3

#### Investment Property:

(₹ in lakh)

| S. No. | Particulars   | Gross Carrying Amount (At Cost) |           |           |                      | Accumulated Depreciation |                     |              |                      | Net Book Value       |                      |
|--------|---------------|---------------------------------|-----------|-----------|----------------------|--------------------------|---------------------|--------------|----------------------|----------------------|----------------------|
|        |               | As at April 1, 2020             | Additions | Disposals | As at March 31, 2021 | As at April 1, 2020      | Charge for the Year | On Disposals | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| a      | Buildings     | 170.70                          | -         | -         | 170.70               | 9.22                     | 2.70                | -            | 11.92                | 158.78               | 161.48               |
|        | <b>TOTAL</b>  | <b>170.70</b>                   | <b>-</b>  | <b>-</b>  | <b>170.70</b>        | <b>9.22</b>              | <b>2.70</b>         | <b>-</b>     | <b>11.92</b>         | <b>158.78</b>        | <b>161.48</b>        |
|        | Previous Year | 170.70                          | -         | -         | 170.70               | 6.52                     | 2.70                | -            | 9.22                 | 161.48               |                      |

Notes to the standalone Financial Statements for the year ended March 31, 2021

(i) Amounts recognised in Statement of Profit & Loss for Investment Properties:

(₹ in lakh)

| Particulars   | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Rental Income   | 4.70                                 | 5.90                                 |
| Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance) | -                                    | -                                    |
| <b>Profit from Investment Properties before depreciation</b>  | 4.70                                 | 5.90                                 |
| Depreciation  | (2.70)                               | (2.70)                               |
| <b>Profit from Investment Properties</b>  | 2.00                                 | 3.20                                 |

(ii) Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly. The Company Capitalized ₹ 170.70 Lakhs from Inventory (Real Estate Completed Projects) as investment property in the financial year 2016-17. Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ NIL {Previous Year ₹ NIL} as all the lease arrangements are short term in nature.

(iii) Fair value

(₹ in lakh)

| Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|-------------|--------------------------------------|--------------------------------------|
| Buildings   | 175.92*                              | 172.33                               |

(iv) Lease / Title Deeds for the following Investment Property is pending for execution in the name of Company.

(₹ in lakh)

| Particulars | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|-------------|--------------------------------------|--------------------------------------|
| Buildings   | 170.70                               | 170.70                               |

\* (v) Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

Valuation approach - Composite Rate Method.

The valuation of the investment property was carried out by an independent valuer. The Valuation Report is based upon the information collected by our technical team during the course of their personal inspection of plot, upon the prior receipt of detailed particulars of property, related documents, date and reply of queries. The subject property as well as its location, amenities availability in the area and with more of commercial area coupled with the enquiries from the local Real Estate Agents and the neighborhood.

Commercial property in same commercial complex were used for comparison and following factors are taken into consideration:

- i) Location,
- ii) Utility,
- iii) Size, and
- iv) Slump

(vi) All resulting fair value estimates for Investment Properties are included in level 2 Fair Value

Note - 04

(₹ in lakh)

| Investments - Non Current                                    | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>Investment in Equity Instruments :</b>                    |                      |                      |
| Investment in Subsidiaries                                   | 32,528.68            | 32,920.72            |
| Less: Aggregate amount of Impairment in Value of Investments | -                    | (237.83)             |
| Investment in Joint Ventures                                 | 200.00               | 200.00               |
| <b>Other Investments:</b>                                    |                      |                      |
| Investment in Joint Ventures                                 | 471.35               | 471.35               |
| <b>Total</b>   | <b>33,200.03</b>     | 33,354.24            |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 04 A

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Aggregate Amount of Quoted Investments and Market Value thereof | -                    | -                    |
| (b) Aggregate Amount of Unquoted Investments                        | 33,200.03            | 33,592.07            |
| (c) Aggregate Amount of Impairment in Value of Investments          | -                    | (237.83)             |
| <b>Total</b>  | <b>33,200.03</b>     | <b>33,354.24</b>     |

Note -04 B. Details of Investment in Subsidiary Companies (Unquoted) (At Cost)

| S. No. | Particulars  | Place of Business | Percentage of Holding |                | Amount (₹ in lakh) |                  |
|--------|--|-------------------|-----------------------|----------------|--------------------|------------------|
|        |  |                   | March 31, 2021        | March 31, 2020 | March 31, 2021     | March 31, 2020   |
| (1)    | (2)  | (3)               | (4)                   | (5)            | (6)                | (7)              |
|        | <b>Investment in Company</b>   |                   |                       |                |                    |                  |
|        | <b>Indian Companies</b>  |                   |                       |                |                    |                  |
| 1      | NBCC Services Limited - 20,00,000 equity shares of ₹ 10 each, fully paid up                        | India             | 100.00%               | 100.00%        | 200.00             | 200.00           |
| 2      | Hindustan Steelworks Construction Limited - 3,57,00,000 equity shares of ₹ 10 each, fully paid up* | India             | 51.00%                | 51.00%         | 3,570.00           | 3,570.00         |
| 3      | HSCC (INDIA) Limited - 1,80,014 equity shares of ₹ 100 each, fully paid up**                       | India             | 100.00%               | 100.00%        | 28,500.00          | 28,500.00        |
| 4      | NBCC International Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up#                  | India             | 100.00%               | 100.00%        | 100.00             | 100.00           |
| 5      | NBCC Environment Engineering Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up#        | India             | 100.00%               | 100.00%        | 100.00             | 100.00           |
| 6      | NBCC Engineering & Consultancy Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up \$    | India             | -                     | 100.00%        | -                  | 100.00           |
|        | Less: Provision for impairment in the value of Investment  |                   |                       |                | -                  | (100.00)         |
|        | <b>Foreign Companies</b>   |                   |                       |                |                    |                  |
| 1      | NBCC GULF L.L.C. - 175000 equity shares of 1 Omani Rial each, fully paid up\$                      | Oman              | -                     | 70.00%         | -                  | 292.04           |
|        | Less: Provision for impairment in the value of Investment  |                   |                       |                | -                  | (137.83)         |
| 2      | NBCC DWC - LLC - 300000 equity shares of 1 AED each, fully paid up                                 | UAE               | 100.00%               | 100.00%        | 58.68              | 58.68            |
|        | <b>Total</b>   |                   |                       |                | <b>32,528.68</b>   | <b>32,682.89</b> |

The Company is holding 2748 equity shares (Previous Year 2448) in Domestic Subsidiary Companies in the name of its nominees.

### Notes to the standalone Financial Statements for the year ended March 31, 2021

- \* The company is entitled to transfer the shares held in HSCL only to an affiliate of the company upto an extent of 25% subject to the approval of Central Government. However in case the affiliate ceased to be an affiliate of the company by any reasons, the shares so held by the affiliate shall be transferred back to the company. Notwithstanding anything contained in the transfer agreement, the company shall continue to have the beneficial ownership of the shares and shall be bound by all the obligation of transfer as a principal obligator.
- \*\* In case of HSCC (INDIA) Ltd the company is not entitled directly or indirectly to sell or transfer, or create any encumbrance or transfer the legal or beneficial ownership of the shares, to any person without prior approval of Government of India for a period of three years from acquisition date i.e. December 26, 2018.
- # The company in its Board Meeting dated August 11, 2018 has decided to close the subsidiary companies. The company has received approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs and DIPAM on March 27, 2019 and May 09, 2019 respectively for the proposed closure by way of merger. Accordingly the Company filed a joint application of Scheme of Merger with the Ministry of Corporate Affairs on December 24, 2020 which is under process.

§ Investment classified as Current Investment in the Current Year, Refer Note No. 9.

### Note - 04 C. Detail of Trade Investments in Joint Ventures (Unquoted) (At Cost)

| S. No. | Particulars  | Place of Business | Share of Profit |                | Amount (₹ in lakh) |                |
|--------|--|-------------------|-----------------|----------------|--------------------|----------------|
|        |  |                   | March 31, 2021  | March 31, 2020 | March 31, 2021     | March 31, 2020 |
| (1)    | (2)  | (3)               | (4)             | (5)            | (6)                | (7)            |
|        | <b>Investment in Company</b>   |                   |                 |                |                    |                |
| 1      | Real Estate Development & Construction Corporation of Rajasthan Limited - 2000000 equity shares of ₹ 10 each, fully paid up* | India             | 50.00%          | 50.00%         | 200.00             | 200.00         |
|        | <b>Investment in Association of Persons</b>  |                   |                 |                |                    |                |
| 2      | NBCC-R. K. Millen#   | India             | 50.00%          | 50.00%         | -                  | -              |
| 3      | NBCC-MHG   | India             | 50.00%          | 50.00%         | 232.62             | 232.62         |
| 4      | NBCC-AB  | India             | 50.00%          | 50.00%         | 238.73             | 238.73         |
|        | <b>Total</b>   |                   |                 |                | 671.35             | 671.35         |

\* 2 equity shares in Joint Venture Company are held in the name of nominees of the company.

# The Company has won arbitration award in respect of disputes with JV partner M/s R.K. Millen & Co. (INDIA) Private Limited. The award is partially realised and the amount of investment in JV has been adjusted against it in the year 2019-20. The dissolution of the defunct partnership shall be pursued after receiving award amount in full.

### Note - 05

(₹ in lakh)

| Other Financial Assets (Non Current)              | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Retention Money & Security Deposits with Clients  | 10,337.85            | 11,308.87            |
| Advance to Clients #                              | 124,633.52           | 113,394.44           |
| Bank deposits with more than 12 Months Maturity * | 85.20                | -                    |
| <b>Total</b>                                      | <b>135,056.57</b>    | <b>124,703.31</b>    |

# Includes an advance of ₹ 90834.91 Lakhs (P.Y. ₹ 90834.91) given to MOHUA and ₹ 31833.61 Lakhs (P.Y. ₹ 20933.42) interest accrued thereon in pursuance of MOU executed.

# Includes an advance of ₹ 1771.00 Lakhs (P.Y. ₹ 1591.00) given to Rail Land Development Authority and ₹ 194.01 Lakhs (P.Y. ₹ 35.11) interest accrued thereon in pursuance of MOU executed.

\* Represents Bank Deposit under Lien & it includes accrued interest of ₹ 0.57 Lakhs (P.Y. NIL).

Notes to the standalone Financial Statements for the year ended March 31, 2021

**Note - 06**

**Movements in Deferred Tax Assets**

(₹ in lakh)

| Deferred Tax Assets (Net)                                  | As at March 31, 2020 | (Charged) / Credited to Statement of Profit & Loss | (Charged) / Credited to OCI | As at March 31, 2021 |
|--|----------------------|--|-----------------------------|----------------------|
| <b>Deferred Tax Assets</b>                                 |                      |  |                             |                      |
| <b>Arising on account of Temporary difference in:</b>      |                      |  |                             |                      |
| Provision for Employee Benefits                            | 2,145.98             | (187.87)   |                             | 1,958.11             |
| Amount paid under VRS                                      | 145.76               | 115.62   |                             | 261.38               |
| Impairment Allowance                                       | 10,010.26            | 18.02  |                             | 10,028.28            |
| Provision for Warranty Charges                             | 433.09               | (24.41)  |                             | 408.68               |
| Provision for Onerous Contract                             | 119.05               | (5.70)   |                             | 113.35               |
| Provision for Others                                       | 12.08                | 81.40  |                             | 93.48                |
| Provision for Inventories                                  | 589.98               | 619.55   |                             | 1,209.53             |
| Provision for Other Financial Assets                       | 532.02               | (0.08)   |                             | 531.94               |
| Advance Revenue PMC  | 14,943.89            | (412.56)   |                             | 14,531.33            |
| Advance Revenue Real Estate                                | 1,677.57             | (386.34)   |                             | 1,291.23             |
| Exchange difference on translation of Foreign Operations   | (6.15)               | -  | (4.55)                      | (10.70)              |
| Lease (Ind AS 116)   | 0.75                 | 0.42   | -                           | 1.17                 |
| <b>Deferred Tax Liabilities</b>                            |                      |  |                             |                      |
| Arising on account of Temporary difference in Depreciation | 309.81               | 1.43   |                             | 311.24               |
| <b>Total</b>   | <b>30,294.47</b>     | <b>(183.38)</b>                                    | <b>(4.55)</b>               | <b>30,106.54</b>     |

**Note - 07**

(₹ in lakh)

| Non Current Tax Assets (Net)           | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Advance Income Tax (Net of Provisions) | -                    | 2,812.59             |
| <b>Total</b>                           | <b>-</b>             | <b>2,812.59</b>      |



Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 08

(₹ in lakh)

| Inventories (At Cost or Net Realisable Value whichever is Lower) | As at March 31, 2021 |                   | As at March 31, 2020 |                   |
|--|----------------------|-------------------|----------------------|-------------------|
| Land Bank  | 67,216.56            |                   | 67,094.12            |                   |
| Less: Provision for Impairment                                   | 2,556.57             | 64,659.99         | 1,016.72             | 66,077.40         |
| <u>Work-in-progress *</u>  |                      |                   |                      |                   |
| (i) Construction Work in Progress                                | 24,925.41            |                   | 69,304.45            |                   |
| (ii) Completed Projects #  | 81,837.50            |                   | 42,459.41            |                   |
| Less: Provision for Impairment                                   | 2,066.42             | 104,696.49        | 1,104.23             | 110,659.63        |
| Raw Materials and components                                     | 4.64                 |                   | 4.64                 |                   |
| Stores and spares  | 6.60                 |                   | 6.80                 |                   |
| Loose Tools  | 22.74                |                   | 24.50                |                   |
| Scrap  | 5.64                 |                   | 5.64                 |                   |
| Centering, Shuttering and Scaffolding                            | 128.11               |                   | 166.58               |                   |
| Finished Goods   | 15.10                |                   | 15.48                |                   |
| Less: Provision for Impairment                                   | 182.83               | -                 | 223.20               | 0.44              |
| <b>Total</b>   |                      | <b>169,356.48</b> |                      | <b>176,737.47</b> |

\* Refer Note No 47

# Work in Progress for Completed Projects includes ₹ 916.96 Lakhs {Previous Years ₹ 916.96 Lakhs} as Company's share in a Jointly Developed Project. Company has 76.98% Interest in NBCC - Agartala Municipal Corporation (Joint Operation).

Note - 9

(₹ in lakh)

| Current Investments  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>Investment in Equity Instruments (At FVTPL)</b>           |                      |                      |
| Investment in Subsidiaries                                   | 392.04               | -                    |
| Less: Aggregate amount of Impairment in Value of Investments | (237.83)             | -                    |
| <b>Investment in Mutual Funds (At FVTPL)</b>                 |                      |                      |
| Investment in Liquid Fund Cash Plan                          | -                    | 1,000.00             |
| <b>Total</b>   | <b>154.21</b>        | <b>1,000.00</b>      |

Note - 09 A

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Aggregate Amount of Quoted Investments and Market Value thereof | -                    | -                    |
| (b) Aggregate Amount of Unquoted Investments                        | 392.04               | 1,000.00             |
| (c) Aggregate Amount of Impairment in Value of Investments          | (237.83)             | -                    |
| <b>Total</b>  | <b>154.21</b>        | <b>1,000.00</b>      |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 09 B

(₹ in lakh)

| Details of Current Investments   | % of Holding / No. of Unit |                | Amount         |                |
|--|----------------------------|----------------|----------------|----------------|
|  | March 31, 2021             | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| <b>Investment in Subsidiary Companies</b>  |                            |                |                |                |
| <b>Indian Company</b>  |                            |                |                |                |
| NBCC Engineering & Consultancy Limited - 10,00,000 equity shares of ₹ 10 each, fully paid up # | 100%                       | -              | 100.00         | -              |
| Less: Provision for impairment in the value of Investment                                      |                            |                | (100.00)       | -              |
| <b>Foreign Company (Oman)</b>  |                            |                |                |                |
| NBCC GULF L.L.C. - 175000 equity shares of 1 Omani Rial each, fully paid up ##                 | 70%                        | -              | 292.04         | -              |
| Less: Provision for impairment in the value of Investment                                      |                            |                | (137.83)       | -              |
| <b>Mutual Funds*</b>   |                            |                |                |                |
| Baroda Liquid Fund- Plan B Growth - Dividend Reinvestment                                      | -                          | 43,698.77      | -              | 1,000.00       |
| <b>Total</b>   | -                          | 43,698.77      | 154.21         | 1,000.00       |

# The Company, in its Board Meeting dated September 23, 2019, has decided to close the Subsidiary Company NBCC Engineering & Consultancy Limited. The approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs was received on June 16, 2020 for the proposed closure. The Board of Directors of the Subsidiary Company passed a special resolution for the voluntary winding-up and appointment of liquidator at Extraordinary General Meeting of the Subsidiary Company held on February 19, 2021.

## The Company, in its Board Meeting dated July 15, 2019, decided to close the Subsidiary Company NBCC GULF L.L.C. The approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs was received on June 16, 2020 for the proposed closure. The partners of NBCC Gulf LLC, in its meeting dated July 02, 2020, unanimously resolved to liquidate the company and approved the appointment of liquidator. The liquidator, on September 1, 2020, filed necessary documents w.r.t Liquidation with the Registrar of Companies in Sultanate of Oman. The notification of the liquidation was published in official gazette on September 13, 2020. The partners of the company, in its meeting dated March 29, 2021, approved the final report of the liquidator and the final form of the liquidation work. The partners decided to register the partners resolution and to complete the liquidation procedure by publishing in the official gazette and thus to cancel the certificate of registration of the Subsidiary Company to end its legal entity status. The certificate of registration of the company has been cancelled on June 20, 2021 by Sultanate of Oman.

\* NAV per unit is ₹ NIL (P.Y. ₹ 2288.3938)

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 10

(₹ in lakh)

| Trade Receivables   | As at March 31, 2021 |                   | As at March 31, 2020 |                   |
|---|----------------------|-------------------|----------------------|-------------------|
| Considered Good - Secured   |                      | -                 |                      | -                 |
| Considered Good - Unsecured *                                       |                      | 181,089.26        |                      | 168,461.85        |
| Trade Receivables which have significant increase in credit risk    |                      | 17,861.76         |                      | 1,859.16          |
| Trade Receivables – Credit Impaired                                 |                      | 418.60            |                      | 418.59            |
|   |                      | 199,369.62        |                      | 170,739.60        |
| <b>Less: Loss allowance</b>   |                      |                   |                      |                   |
| Considered Good - Unsecured   | 17,234.92            |                   | 31,991.95            |                   |
| Trade Receivables which have significant increase in credit risk ** | 17,861.76            |                   | 1,859.16             |                   |
| Trade Receivables – Credit Impaired                                 | 418.59               | 35,515.27         | 418.59               | 34,269.70         |
| <b>Total</b>  |                      | <b>163,854.35</b> |                      | <b>136,469.90</b> |

\* Includes amount receivable from Subsidiary companies.

270.34

479.38

\*\* Refer Note No. 44

Note - 11

(₹ in lakh)

| Cash and Cash Equivalents                         | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Balances with Banks in Current Account *          | 29,431.31            | 21,368.39            |
| Remittances in Transit                            | 163.37               | 2,466.16             |
| Flexi Deposits upto 3 months Original Maturity ** | 153,860.79           | 134,481.81           |
| Fixed Deposits upto 3 months Original Maturity #  | 14,885.63            | 10,106.13            |
| <b>Total</b>                                      | <b>198,341.10</b>    | <b>168,422.49</b>    |

\* Includes balance with Banks under Lien

12.50

12.50

\* Includes Balances in Unpaid Dividend Account

56.03

49.89

\* Includes Balance in RERA

1,538.64

2,069.25

\*\* Includes Interest Accrued on Flexi Deposits

207.59

355.90

# Includes Interest Accrued on Fixed Deposits

50.99

43..64

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 12

(₹ in lakh)

| Other Bank Balances   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Flexi Deposits having Original Maturity more than 3 months and upto 12 months   | 112.00               | 6,747.40             |
| Fixed Deposits having Original Maturity more than 3 months and upto 12 Months * | 623.54               | 919.11               |
| <b>Total</b>  | <b>735.54</b>        | <b>7,666.51</b>      |

\*Includes Fixed Deposits with Banks under Lien 47.04 88.46

\*Includes Interest Accrued on Fixed Deposits 19.66 38.55

Note - 13

(₹ in lakh)

| Other Financial Assets                                       | As at March 31, 2021 |                 | As at March 31, 2020 |                  |
|--|----------------------|-----------------|----------------------|------------------|
| Earnest Money & Security Deposits                            | 1,021.01             |                 | 1,050.51             |                  |
| Less: Provision  | 316.11               | 704.90          | -                    | 1,050.51         |
| Advance Recoverable from Staff                               |                      | 18.46           |                      | 40.64            |
| Retention & Security Deposit with Clients                    | 6,338.94             |                 | 7,253.11             |                  |
| Less : Impairment Allowance                                  | 1,242.43             | 5,096.51        | 1,343.28             | 5,909.83         |
| Loan to Subsidiary   | -                    |                 | 51.84                |                  |
| Less : Impairment Allowance                                  | -                    | -               | 51.84                | -                |
| Advance / Loan to Clients                                    |                      | 703.00          |                      | 207.03           |
| Flexi Deposits having Original Maturity more than 12 months. |                      | 4.84            |                      | 41.94            |
| Unbilled Revenue   |                      | 2,184.25        |                      | 2,439.43         |
| Interest Recoverable from Contractor                         |                      | 839.01          |                      | 3,430.70         |
| Interest Recoverable   | 138.93               |                 | 138.93               |                  |
| Less : Impairment Allowance                                  | 138.93               | -               | 138.93               | -                |
| Other Financial Assets                                       | 2,135.87             |                 | 2,090.38             |                  |
| Less : Impairment Allowance                                  | 1,974.62             | 161.25          | 1,974.93             | 115.45           |
| <b>Total</b>   |                      | <b>9,712.22</b> |                      | <b>13,235.53</b> |

Notes to the standalone Financial Statements for the year ended March 31, 2021

The following Bank Balances out of Note 11, 12 and 13 are held in the Separate Bank Accounts maintained on behalf of Clients / Ministries:-

(₹ in lakh)

| Bank Balance held on behalf of Ministries/Clients                            | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Balances with Banks in Current Account                                       | 26,043.00            | 14,030.80            |
| Flexi Deposits upto 3 months Original Maturity                               | 146,310.85           | 127,496.67           |
| Flexi Deposit having Original Maturity more than 3 months and upto 12 Months | 112.00               | 6,747.40             |
| Flexi Deposit having Original Maturity more than 12 months.                  | 4.84                 | 41.94                |
| Balances with Banks in RERA Account  | 1,538.64             | 2,069.25             |
| <b>Total</b>   | <b>174,009.33</b>    | <b>150,386.06</b>    |

Note - 14

(₹ in lakh)

| Current Tax Assets (Net)               | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Advance Income Tax (Net of Provisions) | 11,258.98            | 5,795.46             |
| <b>Total</b>                           | <b>11,258.98</b>     | <b>5,795.46</b>      |

Note - 15

(₹ in lakh)

| Other Current Assets                        | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Advance Fringe Benefit Tax                  | 6.86                 | 6.86                 |
| Advances to PRWs, Suppliers & Others (Net)* | 49,154.81            | 52,683.58            |
| Prepaid Expenses                            | 47.81                | 74.85                |
| Balances with Government Authorities (Net)  | 22,975.73            | 16,031.55            |
| <b>Total</b>                                | <b>72,185.21</b>     | <b>68,796.84</b>     |

\*Includes amount receivable from Subsidiary companies.

36.73 98.80

\*Includes amount paid in advance to Gratuity Trust

271.84 711.94

Note - 16

(₹ in lakh)

| Assets held for Sale# | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------|----------------------|----------------------|
| Residential Flat*     | 1,061.98             | 1,061.98             |
| Land*                 | 157.97               | 157.97               |
| Others **             | -                    | 1.27                 |
| <b>Total</b>          | <b>1219.95</b>       | <b>1221.22</b>       |

\* Includes Gross block and accumulated depreciation of Flat at East Kidwai Nagar, New Delhi amounting to ₹ 392.37 Lakhs and ₹ 13.93 Lakhs respectively transferred from Property, Plant and Equipment in F.Y. 2019-20.

\*\* Includes asset transferred from Property, Plant, & Equipment of Gross block and accumulated depreciation amounting to ₹ NIL (P.Y. ₹ 11.29) Lakhs and ₹ NIL (P.Y. ₹ 10.02) Lakhs respectively.

# The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds, wherever applicable.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note - 17

(₹ in lakh)

| Equity Share Capital  | As at March 31, 2021  |                  | As at March 31, 2020  |                  |
|---|-----------------------|------------------|-----------------------|------------------|
|   | Number                | Amount           | Number                | Amount           |
| <b>Authorised:</b>  |                       |                  |                       |                  |
| Equity Shares of ₹ 1/- (Previous Year ₹ 1) each               | 2,00,00,00,000        | 20,000.00        | 2,00,00,00,000        | 20,000.00        |
| <b>Issued, Subscribed &amp; Paid up</b>                       |                       |                  |                       |                  |
| Fully paid up Equity Shares of ₹ 1/- (Previous Year ₹ 1) each | 1,80,00,00,000        | 18,000.00        | 1,80,00,00,000        | 18,000.00        |
| <b>Total</b>  | <b>1,80,00,00,000</b> | <b>18,000.00</b> | <b>1,80,00,00,000</b> | <b>18,000.00</b> |

### Note - 17 A

(₹ in lakh)

| Equity Share Capital                            | Equity Shares         |           |                      |           |
|---|-----------------------|-----------|----------------------|-----------|
|   | As at March 31, 2021  |           | As at March 31, 2020 |           |
|   | Number                | Amount    | Number               | Amount    |
| Shares outstanding at the beginning of the year | <b>1,80,00,00,000</b> | 18,000.00 | 1,80,00,00,000       | 18,000.00 |
| Add : Shares issued during the year             | -                     | -         | -                    | -         |
| Shares outstanding at the end of the year       | <b>1,80,00,00,000</b> | 18,000.00 | 1,80,00,00,000       | 18,000.00 |

### Note - 17 B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakh)

| Name  | As at March 31, 2021 |            | As at March 31, 2020 |            |
|---|----------------------|------------|----------------------|------------|
|   | No. of Shares        | Percentage | No. of Shares        | Percentage |
| President of India                          | 1,11,15,79,093       | 61.75      | 1,11,15,79,093       | 61.75      |
| Life Insurance Corporation of India Limited | 11,78,66,918         | 6.55       | 11,78,66,918         | 6.55       |

### Note -17 C

The Company has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### Note -17 D

During the year 2016-17, 300000000 Equity Shares of ₹ 2/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

### Note -17 E

Company has split face value of equity share from ₹ 10/- each to ₹ 2/- per share as approved by the shareholders of the Company through postal ballot on June 02, 2016

Company has split face value of equity share from ₹ 2/- each to ₹ 1/- per share as approved by the shareholders of the Company through postal ballot on April 05, 2018.

### Note -17 F

Company has transferred 4804 (P.Y. 1361) & NIL (P.Y. 1) number of shares in NSDL and CSDL respectively held by investors pursuant to section 124 (6) of The Companies Act, 2013 and the rules notified thereunder whose dividend is unclaimed/unpaid for seven years to a demat account of the Investor Education and Protection Fund (IEPF) Authority on November 12, 2020.

Notes to the standalone Financial Statements for the year ended March 31, 2021

**Note -17 G**

**Reserves and Surplus**

**Nature and purpose of Other Reserves**

**Retained Earnings**

Retained Earnings represent the undistributed profits of the Company.

**General Reserve**

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to General Reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

**Other Comprehensive Income**

Other Comprehensive Income represents balance arising on account of Gain/(Loss) booked on Re-measurement of Defined Benefit Plans and Exchange Difference on translation of foreign operation.

**Note - 18**

(₹ in lakh)

| Other financial liabilities - Non-Current | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Lease Liability Non-Current*              | 13.28                | 8.57                 |
| <b>Total</b>                              | <b>13.28</b>         | <b>8.57</b>          |

\*Refer Note No. 41

**Note - 19**

(₹ in lakh)

| Provisions- Non Current                   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| <b>Provisions for Employee Benefits :</b> |                      |                      |
| Leave Encashment                          | 4,314.35             | 4,023.51             |
| Travelling Allowance on Superannuation    | 34.68                | 37.79                |
| Post Retirement Medical Benefit           | 6,588.22             | 5,549.13             |
| Long Service Awards                       | 113.99               | 118.38               |
| Other / Contingencies                     | 50.30                | 48.00                |
| <b>Total</b>                              | <b>11,101.54</b>     | <b>9,776.81</b>      |

For movements in each class of Provision during the Financial Year (Refer Note 24A & 24B)

**Note - 20**

(₹ in lakh)

| Other Non-Current Liabilities | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------------|----------------------|----------------------|
| Advance from Clients          | 11,659.92            | 11,408.64            |
| <b>Total</b>                  | <b>11,659.92</b>     | <b>11,408.64</b>     |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 21

(₹ in lakh)

| Trade Payables                                  | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Due to Micro Enterprises and Small Enterprises# | 74.52                | 12.67                |
| Due to Others*                                  | 198,963.13           | 212,013.09           |
| Amount withheld against Work                    | 13,108.33            | 3,109.85             |
| <b>Total</b>                                    | <b>212,145.98</b>    | <b>215,135.61</b>    |

\*Includes amount payable to Subsidiary Companies.

2,759.28

2,628.51

# Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

(₹ in lakh)

| Particulars  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| The principal amount remaining unpaid as at the end of year.   | 74.39                | 12.67                |
| Interest due on above principal and remaining unpaid as at the end of the year.  | 0.13                 | -                    |
| The amount of interest paid by the buyer in terms of section 16, of the (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | -                    | -                    |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under (MSMED) Act, 2006.  | -                    | -                    |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and  | 0.13                 | -                    |
| The amount of 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the (MSMED) Act, 2006 | -                    | -                    |
| <b>Total</b>   | <b>74.52</b>         | <b>12.67</b>         |

Note - 22

(₹ in lakh)

| Other Financial Liabilities (Current) | As at March 31, 2021 | As at March 31, 2020 |
|---------------------------------------|----------------------|----------------------|
| Earnest Money & Security Deposits*    | 75,633.22            | 75,748.18            |
| Other Payables                        | 11,974.61            | 13,122.45            |
| Lease Liability **                    | 6.52                 | 25.33                |
| Unclaimed Dividend#                   | 56.03                | 49.89                |
| <b>Total</b>                          | <b>87,670.38</b>     | <b>88,945.85</b>     |

\*Includes amount payable to Subsidiary Companies.

-

6.34

\*\*Includes amount of Lease Liability (Current) - Refer Note No. 41

# During the year Company transferred ₹ 0.52 Lakhs (Previous Year - ₹ 0.97) to Investor Education & Protection Fund



Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 23

(₹ in lakh)

| Other Current Liabilities   | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------|----------------------|----------------------|
| Taxes Payable               | 17,233.40            | 8,738.57             |
| Advance from Clients*       | 256,663.24           | 221,353.94           |
| Revenue Received in Advance | 61,708.89            | 64,215.63            |
| <b>Total</b>                | <b>335,605.53</b>    | 294,308.14           |

\*Includes amount due to Subsidiary Companies.

234.92

228.50

Note - 24

(₹ in lakh)

| Provisions-Current                      | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| <b>Provision for Employee Benefits:</b> |                      |                      |
| Leave Encashment                        | 835.79               | 893.46               |
| Travelling Allowance on Superannuation  | 7.28                 | 7.89                 |
| Post Retirement Medical Benefit         | 119.19               | 262.45               |
| Long Service Awards                     | 36.79                | 38.14                |
| Provision for Research & Development    | 84.56                | 1,198.38             |
| Provision for Warranty Charges          | 1,623.81             | 1,720.81             |
| Provision for Onerous Contracts         | 450.39               | 473.02               |
| Provision for CSR Expenses *            | 511.88               | -                    |
| <b>Total</b>                            | <b>3,669.69</b>      | 4,594.15             |

\* Refer Note No. 33 B

For movements in each class of Provision during the Financial Year (Refer Note 24A & 24B)

Disclosure under Ind AS -37 on "Provisions, Contingent Liabilities and Contingent Assets":

Movement in Provisions

Note - 24A

Movements in each class (Current & Non Current) of provision during the financial year, are set out below:

(₹ in lakh)

| Particular                            | Provision for Warranty Charges | Provision for CSR | Provision for Research & Development | Provision for Onerous Contract | Other/ Contingencies |
|---------------------------------------|--------------------------------|-------------------|--------------------------------------|--------------------------------|----------------------|
| As at April 1, 2020                   | 1,720.81                       | -                 | 1,198.38                             | 473.02                         | 48.00                |
| Provision made during the year        | -                              | 1,235.06          | -                                    | -                              | 2.30                 |
| Less : Paid/ Adjusted during the year | 97.00                          | 723.18            | 1,113.82                             | 22.63                          | -                    |
| <b>As at March 31, 2021</b>           | <b>1,623.81</b>                | <b>511.88</b>     | <b>84.56</b>                         | <b>450.39</b>                  | <b>50.30</b>         |

Notes to the standalone Financial Statements for the year ended March 31, 2021

(₹ in lakh)

| Particular  | Gratuity        | Leave Encashment | Travelling Allowance on Superannuation | Post Retirement Medical Benefit | Long Service Awards |
|---|-----------------|------------------|--|---------------------------------|---------------------|
| As at April 1, 2020   | (711.94)        | 4,916.97         | 45.68                                  | 5,811.58                        | 156.52              |
| Provision made during the year Profit & Loss                      | 483.34          | 1,321.65         | 5.15                                   | 417.61                          | 17.86               |
| Provision made during the year - Other Comprehensive Income (OCI) | 361.08          | -                | (6.75)                                 | 950.75                          | (11.18)             |
| Less : Paid/Adjusted during the year                              | 404.32          | 1,088.48         | 2.12                                   | 472.53                          | 12.42               |
| <b>As at March 31, 2021</b>                                       | <b>(271.84)</b> | <b>5,150.14</b>  | <b>41.96</b>                           | <b>6,707.41</b>                 | <b>150.78</b>       |

**Note - 24B**

**The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :**

**Gratuity**

The Company has defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity on superannuation, resignation, termination, disablement or on death in accordance with Gratuity Act 1972. In the year 2017-18, consequent upon the amendment in the Gratuity Act 1872, the maximum limit of Gratuity to be paid to any employee enhanced from ₹ 10.00 Lakhs to ₹ 20.00 Lakhs. The scheme is funded by the Company and is managed by a separate trust formed in the year 2007-08. The liability for the same is recognised on the basis of actuarial valuation and accordingly transferred to Gratuity Trust. The provision for the year 2020-21 is ₹ 483.34 Lakhs {Previous Year ₹ 457.95 Lakhs}. The gains/losses on the remeasurement of the assumptions on the Gratuity plan have been recognised in Other Comprehensive Income (OCI).

**Earned Leave**

The Company has other long term benefit plan for Earned Leave Encashment. Provision for Encashment of Earned Leave equivalent to maximum of 300 days (basic pay plus dearness allowance) is provided at the year end and charged to Statement of Profit & Loss. The liability for the year 2020-21 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Earned Leave Encashment as on March 31, 2021 is ₹ 3878.59 Lakhs {Previous Year ₹ 3360.27 Lakhs}.

**Sick Leave**

The Company has a other long term benefit plan for Sick Leave Encashment. The encashment of half pay leave on superannuation will be allowed in addition to encashment of earned leave subject to overall limit of 300 days. The cash equivalent payable for Sick leave would be equal to leave salary as admissible for half basic pay plus dearness allowance and to make up the shortfall in earned leave. No commutation of Sick leave shall be allowed for this purpose. The liability for the year 2020-21 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Sick Leave Encashment as on March 31, 2021 is ₹ 1271.55 lakhs {previous year ₹ 1556.70 Lakhs}.

**Travelling Allowance on Superannuation**

The cumulative liability for Travelling Allowance to be paid to the employees on superannuation (exit) as on March 31, 2021 is ₹ 41.96 Lakhs {previous year ₹ 45.68 Lakhs} based on actuarial valuation. The gains/losses on the remeasurement of the assumptions on the plan have been recognised in Other Comprehensive Income (OCI).

**Post Retirement Medical Benefits (PRMB)**

The Company is having a defined benefit plan for Post Retirement Medical Benefits payable to the employees and the retirees of the company. The liability for the year 2020-21 is accounted for on the basis of Actuarial Valuation. The cumulative liability for Post Retirement Medical Benefits as on March 31, 2021 is ₹ 6707.41 lakhs {Previous Year ₹ 5811.58 Lakhs}. The gains/losses on the remeasurement of the assumptions on the plan have been recognised in Other Comprehensive Income (OCI).

**Pension**

The company has implemented pension scheme through NBCC Employees Defined Contribution Superannuation Pension trust under IDA pattern for those employees who have completed 15 years of service in the CPSE and on the regular rolls of the company as on

**Notes to the standalone Financial Statements for the year ended March 31, 2021**

November 26, 2008. The scheme is managed by a separate Trust formed in the year 2012-13 for the purpose. The contribution for pension amounting to ₹ 872.22 Lakhs {Previous Year ₹ 917.86 Lakhs} has been paid during the year 2020-21.

**Long Service Awards**

The Company has introduced a Scheme of Long Service Awards during the Financial Year 2016-17 covering all the Employees below Board Level who are on the regular roll as on September 3, 2016 onwards and completed (i) 30 Years of Service or more (ii) 35 Years of Service or more. The company has recognised a liability of ₹ 150.78 Lakhs { Previous Year ₹ 156.52 Lakhs } during the Financial Year 2020-21 on the basis of Actuarial Valuation

**a) The amounts recognized in the Balance Sheet is as under:**

(₹ in lakh)

| Particular  | Period  | Gratuity  | Earned Leave | Sick Leave | Travelling Allowance | PRMB       |
|---|---------|-----------|--------------|------------|----------------------|------------|
| Present value of obligations as at the end of year        | 2020-21 | 10,465.25 | 3,878.59     | 1,271.55   | 41.96                | 6,707.41   |
|   | 2019-20 | 11,437.32 | 3,360.27     | 1,556.70   | 45.68                | 5,811.58   |
| Fair value of plan assets as at the end of the year       | 2020-21 | 10,737.09 | -            | -          | -                    | -          |
|   | 2019-20 | 12,149.26 | -            | -          | -                    | -          |
| Funded status   | 2020-21 | -         | -            | -          | -                    | -          |
|   | 2019-20 | -         | -            | -          | -                    | -          |
| <b>Net Assets/(Liability) recognized in balance sheet</b> | 2020-21 | 271.84    | (3,878.59)   | (1,271.55) | (41.96)              | (6,707.41) |
|   | 2019-20 | 711.94    | (3,360.27)   | (1,556.70) | (45.68)              | (5,811.58) |

**b) Expense recognized in Statement of Profit and Loss is as under:**

(₹ in lakh)

| Particular   | Period  | Gratuity | Earned Leave | Sick Leave | Travelling Allowance | PRMB   |
|--|---------|----------|--------------|------------|----------------------|--------|
| Current Service Cost                                       | 2020-21 | 531.75   | 362.52       | 81.45      | 2.04                 | 22.42  |
|  | 2019-20 | 541.08   | 298.05       | 84.30      | 2.14                 | 31.71  |
| Past Service Cost  | 2020-21 | -        | -            | -          | -                    | -      |
|  | 2019-20 | -        | -            | -          | -                    | -      |
| Interest Cost on Defined Benefit Obligation                | 2020-21 | 777.74   | 228.50       | 105.85     | 3.11                 | 395.19 |
|  | 2019-20 | 911.92   | 251.38       | 108.41     | 3.44                 | 540.91 |
| Interest Income on Plan Assets                             | 2020-21 | 826.15   | -            | -          | -                    | -      |
|  | 2019-20 | 995.05   | -            | -          | -                    | -      |
| Net Actuarial (Gain) / Loss recognized in the period       | 2020-21 | -        | 531.22       | 12.11      | -                    | -      |
|  | 2019-20 | -        | 463.60       | 365.68     | -                    | -      |
| <b>Expenses recognized in Statement of Profit and Loss</b> | 2020-21 | 483.34   | 1,122.24     | 199.41     | 5.15                 | 417.61 |
|  | 2019-20 | 457.95   | 1,013.03     | 558.39     | 5.58                 | 572.62 |

Notes to the standalone Financial Statements for the year ended March 31, 2021

c) Expenses recognized in Other Comprehensive Income is as under:

(₹ in lakh)

| Particular   | Period  | Gratuity | Earned Leave | Sick Leave | Travelling Allowance | PRMB     |
|--|---------|----------|--------------|------------|----------------------|----------|
| Actuarial Gains/(Loss) on Defined Benefit Obligation                               | 2020-21 | (582.99) | -            | -          | 6.75                 | (950.75) |
|  | 2019-20 | (515.22) | -            | -          | 1.99                 | 1,169.78 |
| Actuarial Gains/(Loss) on Asset  | 2020-21 | 221.91   | -            | -          | -                    | -        |
|  | 2019-20 | (23.15)  | -            | -          | -                    | -        |
| <b>Unrecognized actuarial Gain/(Loss) recognized in Other Comprehensive Income</b> | 2020-21 | (361.08) | -            | -          | 6.75                 | (950.75) |
|  | 2019-20 | (538.37) | -            | -          | 1.99                 | 1,169.78 |

d) Reconciliation of Opening and Closing balances of Defined Benefit Obligation is as under:

(₹ in lakh)

| Particular  | Period  | Gratuity   | Earned Leave | Sick Leave | Travelling Allowance | PRMB       |
|---|---------|------------|--------------|------------|----------------------|------------|
| Present Value of Obligations as at beginning of year  | 2020-21 | 11,437.31  | 3,360.27     | 1,556.70   | 45.68                | 5,811.58   |
|   | 2019-20 | 11,766.65  | 3,243.61     | 1,398.94   | 44.46                | 6,979.50   |
| Acquisition Adjustment                                | 2020-21 | 1.33       | 7.30         | -          | -                    | -          |
|   | 2019-20 | 22.42      | 9.07         | 7.97       | -                    | -          |
| Acquisition Adjustment Subsidiaries                   | 2020-21 | 45.65      | 105.45       | -          | -                    | 58.75      |
|   | 2019-20 | 54.40      | 125.66       | -          | -                    | 70.01      |
| Interest Cost   | 2020-21 | 777.74     | 228.50       | 105.86     | 3.10                 | 395.19     |
|   | 2019-20 | 911.92     | 251.38       | 108.41     | 3.45                 | 540.91     |
| Current Service Cost                                  | 2020-21 | 531.75     | 362.52       | 81.45      | 2.04                 | 22.43      |
|   | 2019-20 | 541.08     | 298.05       | 84.30      | 2.14                 | 31.71      |
| <b>Actuarial (Gains)/Losses arising from:</b>         |         |            |              |            |                      |            |
| Changes in Demographic Assumptions                    | 2020-21 | -          | -            | -          | -                    | -          |
|   | 2019-20 | 1.32       | 0.24         | 0.18       | (0.01)               | (0.35)     |
| Changes in Financial Assumptions                      | 2020-21 | (5.03)     | (3.17)       | (0.75)     | -                    | -          |
|   | 2019-20 | 451.16     | 207.68       | 65.40      | 1.24                 | 143.47     |
| Experience Adjustments                                | 2020-21 | 588.03     | 534.39       | 12.86      | (6.74)               | 950.75     |
|   | 2019-20 | 62.74      | 255.67       | 300.10     | (3.22)               | (1,312.90) |
| Past Service Cost                                     | 2020-21 | -          | -            | -          | -                    | -          |
|   | 2019-20 | -          | -            | -          | -                    | -          |
| Benefits Paid   | 2020-21 | (2,911.52) | (716.67)     | (484.56)   | (2.12)               | (531.28)   |
|   | 2019-20 | (2,374.38) | (1,031.09)   | (408.60)   | (2.38)               | (640.77)   |
| <b>Present value of obligations as at end of year</b> | 2020-21 | 10,465.26  | 3,878.59     | 1,271.56   | 41.96                | 6,707.42   |
|   | 2019-20 | 11,437.31  | 3,360.27     | 1,556.70   | 45.68                | 5,811.58   |

Notes to the standalone Financial Statements for the year ended March 31, 2021

e) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets is as under:

(₹ in lakh)

| Particular  | Period  | Gratuity   | Earned Leave | Sick Leave | Travelling Allowance | PRMB |
|---|---------|------------|--------------|------------|----------------------|------|
| Fair Value of plan assets as on beginning of year | 2020-21 | 12,149.26  | -            | -          | -                    | -    |
|   | 2019-20 | 12,839.31  | -            | -          | -                    | -    |
| Actual return on Plan asset                       | 2020-21 | 1,049.74   | -            | -          | -                    | -    |
|   | 2019-20 | 1,004.76   | -            | -          | -                    | -    |
| Fund Management Charges                           | 2020-21 | (1.68)     | -            | -          | -                    | -    |
|   | 2019-20 | (32.86)    | -            | -          | -                    | -    |
| Contributions from the employer                   | 2020-21 | 451.29     | -            | -          | -                    | -    |
|   | 2019-20 | 712.42     | -            | -          | -                    | -    |
| Benefits paid                                     | 2020-21 | (2,911.52) | -            | -          | -                    | -    |
|   | 2019-20 | (2,374.38) | -            | -          | -                    | -    |
| Fair value of Plan Assets at the end of year      | 2020-21 | 10,737.09  | -            | -          | -                    | -    |
|   | 2019-20 | 12,149.25  | -            | -          | -                    | -    |

f) Actuarial Assumptions are as under:

| Particular                              | Period  | Gratuity        | Earned Leave    | Sick Leave      | Travelling Allowance | PRMB            |
|---|---------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Discount Rate                           | 2020-21 | 6.81%           | 6.81%           | 6.81%           | 6.81%                | 6.81%           |
|   | 2019-20 | 6.80%           | 6.80%           | 6.80%           | 6.80%                | 6.80%           |
| Expected rate of Future Salary Increase | 2020-21 | 6.00%           | 6.00%           | 6.00%           | 6.00%                | -               |
|   | 2019-20 | 6.00%           | 6.00%           | 6.00%           | 6.00%                | -               |
| Increase in compensation levels         | 2020-21 | -               | -               | -               | -                    | -               |
|   | 2019-20 | -               | -               | -               | -                    | -               |
| Retirement Age                          | 2020-21 | 60 years        | 60 years        | 60 years        | 60 years             | 60 years        |
|   | 2019-20 | 60 years        | 60 years        | 60 years        | 60 years             | 60 years        |
| Ages                                    |         | Withdrawal Rate | Withdrawal Rate | Withdrawal Rate | Withdrawal Rate      | Withdrawal Rate |
| Up to 30 Years                          | 2020-21 | 3.00%           | 3.00%           | 3.00%           | 3.00%                | 3.00%           |
|   | 2019-20 | 3.00%           | 3.00%           | 3.00%           | 3.00%                | 3.00%           |
| From 31 to 44 years                     | 2020-21 | 2.00%           | 2.00%           | 2.00%           | 2.00%                | 2.00%           |
|   | 2019-20 | 2.00%           | 2.00%           | 2.00%           | 2.00%                | 2.00%           |
| Above 44 years                          | 2020-21 | 1.00%           | 1.00%           | 1.00%           | 1.00%                | 1.00%           |
|   | 2019-20 | 1.00%           | 1.00%           | 1.00%           | 1.00%                | 1.00%           |

Mortality rates inclusive of provision for disability -100% of IALM 2012-14 (P.Y. 2006 – 08)

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Risks Associated with Plan Provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow:

|                                   |   |
|-----------------------------------|---|
| <b>Salary Increases</b>           | Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.                    |
| <b>Investment Risk</b>            | If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability. |
| <b>Discount Rate</b>              | Reduction in discount rate in subsequent valuations can increase the plan's liability.  |
| <b>Mortality &amp; disability</b> | Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.  |
| <b>Withdrawals</b>                | Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.                          |

### g) Maturity Profile of Defined Benefit Obligation is as under:

(₹ in lakh)

| Particular                             | Period         | Gratuity         | Earned Leave    | Sick Leave      | PRMB            |
|--|----------------|------------------|-----------------|-----------------|-----------------|
| Duration of defined benefit obligation |                |                  |                 |                 |                 |
| Duration (years)                       |                |                  |                 |                 |                 |
| 1                                      | 0 to 1 year    | 1,878.87         | 553.18          | 282.61          | 119.19          |
| 2                                      | 1 to 2 year    | 1,541.43         | 430.85          | 148.91          | 181.64          |
| 3                                      | 2 to 3 year    | 1,483.95         | 418.58          | 157.24          | 167.99          |
| 4                                      | 3 to 4 year    | 1,111.10         | 347.61          | 122.51          | 278.79          |
| 5                                      | 4 to 5 year    | 915.87           | 261.75          | 94.50           | 206.11          |
| 6                                      | 5 to 6 year    | 650.53           | 187.84          | 66.53           | 235.99          |
| Above 6                                | 6 year onwards | 2,651.38         | 1,678.77        | 399.24          | 5,517.70        |
| <b>Total</b>                           |                | <b>10,233.13</b> | <b>3,878.58</b> | <b>1,271.54</b> | <b>6,707.41</b> |

### h) Summary of Membership Data:

| Particular  | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Number of Employees                                     | 1486                 | 1698                 |
| Total Monthly Salary for Gratuity (₹ in Lakh )          | 1,061.32             | 1,059.87             |
| Total Monthly Salary for leave availment (₹ in Lakh )   | 1,061.32             | 1,059.87             |
| Total Monthly Salary Travelling Allowance ( ₹ in Lakh ) | -                    | -                    |
| Average Past Service (Years )                           | 18.28                | 18.94                |
| Average Age (Years )                                    | 46.10                | 46.71                |
| Average remaining Working Life (Years )                 | 13.90                | 13.29                |

Notes to the standalone Financial Statements for the year ended March 31, 2021

i) Major Categories of Plan Assets (as percentage of total plan assets) is as under:

| Particular              | Period  | Gratuity | Earned Leave | Sick Leave | Travelling Allowance | PRMB |
|-------------------------|---------|----------|--------------|------------|----------------------|------|
| Fund Managed by Insurer | 2020-21 | 100%     | -            | -          | -                    | -    |
|                         | 2019-20 | 100%     | -            | -          | -                    | -    |

j) Sensitivity analysis is as under:

Impact of the Change in Discount Rate

(₹ in lakh)

| Particular                      | Period  | Gratuity | Earned Leave | Sick Leave | Travelling Allowance | PRMB     |
|---------------------------------|---------|----------|--------------|------------|----------------------|----------|
| Impact due to Increase of 0.50% | 2020-21 | (476.02) | (174.78)     | (69.65)    | (1.28)               | (125.12) |
| Impact due to Decrease of 0.50% | 2020-21 | 427.81   | 142.48       | 5.38       | 1.25                 | 125.94   |

Impact of the Change in Salary Increase

(₹ in lakh)

| Particular                      | Period  | Gratuity | Earned Leave | Sick Leave | Travelling Allowance | PRMB |
|---------------------------------|---------|----------|--------------|------------|----------------------|------|
| Impact due to Increase of 0.50% | 2020-21 | 428.59   | 142.98       | (69.65)    | -                    | -    |
| Impact due to Decrease of 0.50% | 2020-21 | (478.95) | (176.59)     | 5.38       | -                    | -    |

- (i) Sensitivities due to Mortality & withdrawals are not material and hence impact of change due to these not calculated.
- (ii) Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.
- (iii) Changes in Defined Benefit Obligation due to 0.5% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.
- (iv) Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 25

(₹ in lakh)

| Revenue from Operations  | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--------------------------|--------------------------------------|--------------------------------------|
| <b>Value of Services</b> |                                      |                                      |
| Value of Work Done       | 4,88,323.97                          | 5,17,972.40                          |
| <b>Total</b>             | <b>4,88,323.97</b>                   | <b>5,17,972.40</b>                   |

Note - 25 A

(₹ in lakh)

| Gross income derived from Services are as under: | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Project Management Consultancy (PMC)             | 4,54,056.88                          | 4,80,721.72                          |
| Real Estate (RE)                                 | 9,464.10                             | 14,523.25                            |
| Engineering, Procurement & Construction (EPC)    | 24,802.99                            | 22,727.43                            |
| <b>Total</b>                                     | <b>4,88,323.97</b>                   | <b>5,17,972.40</b>                   |

Note - 25 B

(₹ in lakh)

| Particulars                                      |                              | For the year ended on March 31, 2021 |                 |                  |                    |
|--|------------------------------|--------------------------------------|-----------------|------------------|--------------------|
| Disaggregation of Revenue By:                    | Types of Services by Nature: | PMC                                  | RE              | EPC              | Total              |
| Type of Contract                                 | Cost Plus Contracts          | 4,54,056.88                          | -               | -                | 4,54,056.88        |
|  | Fixed Price Contracts        | -                                    | 9,464.10        | 24,802.99        | 34,267.09          |
| <b>Total</b>                                     |                              | <b>4,54,056.88</b>                   | <b>9,464.10</b> | <b>24,802.99</b> | <b>4,88,323.97</b> |
| Timing of Satisfaction of Performance obligation | Over the period of time      | 4,54,056.88                          | -               | 24,802.99        | 4,78,859.87        |
|  | At a Point of time           | -                                    | 9,464.10        | -                | 9,464.10           |
| <b>Total</b>                                     |                              | <b>4,54,056.88</b>                   | <b>9,464.10</b> | <b>24,802.99</b> | <b>4,88,323.97</b> |
| Method of Measurement of Performance obligation  | Input Method                 | 4,54,056.88                          | -               | 24,802.99        | 4,78,859.87        |
|  | Output Method                | -                                    | -               | -                | -                  |
|  | Stand-alone selling price    | -                                    | 9,464.10        | -                | 9,464.10           |
| <b>Total</b>                                     |                              | <b>4,54,056.88</b>                   | <b>9,464.10</b> | <b>24,802.99</b> | <b>4,88,323.97</b> |



Notes to the standalone Financial Statements for the year ended March 31, 2021

| Particulars                                      |                              | For the year ended on March 31, 2020 |                  |                  |                    |
|--|------------------------------|--------------------------------------|------------------|------------------|--------------------|
| Disaggregation of Revenue By:                    | Types of Services by Nature: | PMC                                  | RE               | EPC              | Total              |
| Type of Contract                                 | Cost Plus Contracts          | 4,80,721.72                          | -                | -                | 4,80,721.72        |
|  | Fixed Price Contracts        | -                                    | 14,523.25        | 22,727.43        | 37,250.68          |
| <b>Total</b>                                     |                              | <b>4,80,721.72</b>                   | <b>14,523.25</b> | <b>22,727.43</b> | <b>5,17,972.40</b> |
| Timing of Satisfaction of Performance obligation | Over the period of time      | 4,80,721.72                          | -                | 22,727.43        | 5,03,449.15        |
|  | At a Point of time           | -                                    | 14,523.25        | -                | 14,523.25          |
| <b>Total</b>                                     |                              | <b>4,80,721.72</b>                   | <b>14,523.25</b> | <b>22,727.43</b> | <b>5,17,972.40</b> |
| Method of Measurement of Performance obligation  | Input Method                 | 4,80,721.72                          | -                | 22,727.43        | 5,03,449.15        |
|  | Output Method                | -                                    | -                | -                | -                  |
|  | Stand-alone selling price    | -                                    | 14,523.25        | -                | 14,523.25          |
| <b>Total</b>                                     |                              | <b>4,80,721.72</b>                   | <b>14,523.25</b> | <b>22,727.43</b> | <b>5,17,972.40</b> |

Note - 26

(₹ in lakh)

| Other Operating Revenues                 | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Miscellaneous Receipts                   | 1,673.21                             | 1,112.39                             |
| Unadjusted Credit Balances written back* | 2,109.00                             | 1,019.88                             |
| Provisions Written Back - Others         | 2,639.02                             | 928.86                               |
| <b>Total</b>                             | <b>6,421.23</b>                      | <b>3061.13</b>                       |

\* Includes provision written back of ₹ 729.70 Lakhs for provisions made against balances recoverable related to a subsidiary (NECL).

Note - 27

(₹ in lakh)

| Other Income   | For the year ended on March 31, 2021 |                  | For the year ended on March 31, 2020 |                  |
|--|--------------------------------------|------------------|--------------------------------------|------------------|
| Banks Interest Gross                                     | 4,871.93                             |                  | 7,124.22                             |                  |
| Less: Interest passed to Clients                         | 4,788.33                             | 83.60            | 7077.46                              | 46.76            |
| Interest on Advance to Contractor                        | 4,138.78                             |                  | 3804.57                              |                  |
| Less : Interest on Advance Passed to Clients             | 1,204.60                             | 2934.18          | -                                    | 3804.57          |
| Interest on Advance to Staff                             |                                      | 2.98             |                                      | 5.42             |
| Interest Others #  |                                      | 11,344.74        |                                      | 11,093.18        |
| Rent   |                                      | 516.12           |                                      | 434.61           |
| Share of Profit from Joint Venture                       |                                      | 14.00            |                                      | 518.95           |
| Dividend on Liquid Cash Plan (Mutual Fund)               |                                      | 6.08             |                                      | 23.26            |
| Dividend from Subsidiaries                               |                                      | 2,358.74         |                                      | 7,017.32         |
| Net Gain/(Loss) on Sale of Assets*                       |                                      | (0.46)           |                                      | 711.79           |
| Gain/(Loss) on Modification of Financial Asset/Liability |                                      | 2.61             |                                      | -                |
| Gain on Foreign Exchange Translation                     |                                      | 0.11             |                                      | (146.37)         |
| <b>Total</b>   |                                      | <b>17,262.70</b> |                                      | <b>23,509.49</b> |

\* Net gain on sale of assets in P.Y. include amount realised from asset sold on Sub-Lease net off transfer of 50% unearned premium to Ministry of Housing and Urban Affairs.

# Includes ₹ 10900.19 Lakhs (P.Y. ₹ 10686.80 Lakhs) as Interest on advance to MOHUA and ₹ 194.01 (P.Y. ₹ 35.11) as interest on advance to Rail Land Development authority.

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 28

(₹ in lakh)

| Land Purchased & Materials Consumed    | For the year ended on<br>March 31, 2021 |               | For the year ended on<br>March 31, 2020 |               |
|--|---|---------------|---|---------------|
| Land Purchased                         |   | 122.44        |   | 777.53        |
| Inventory at the beginning of the year | 10.28                                   |               | 14.20                                   |               |
| Add: Purchases                         | 9.17                                    |               | 37.36                                   |               |
| Less: Transfer, Returns & Sales        | -                                       |               | 3.92                                    |               |
| Less: Inventory at the end of the year | 10.28                                   |               | 10.28                                   |               |
| Add: Carriage & Freight Inward         | -                                       | 9.17          | -                                       | 37.36         |
| <b>Total</b>                           |   | <b>131.61</b> |   | <b>814.89</b> |

Note - 29

(₹ in lakh)

| Change in Inventories of Real Estate Projects                            | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>Land Bank:</b>  |   |   |
| Opening Balance  | 67,094.12                               | 66,441.53                               |
| Adjustments/ Transfers during the year                                   | -                                       | -                                       |
| Closing Balance  | 67,216.56                               | 67,094.12                               |
| <b>(Increase) / Decrease in Land Bank (A)</b>                            | <b>(122.44)</b>                         | <b>(652.59)</b>                         |
| <b>Construction Work in Progress:</b>                                    |   |   |
| Opening Balance  | 69,304.45                               | 71,465.34                               |
| Adjustments/ Transfers during the year                                   | (43087.35)                              | -                                       |
| Closing Balance  | 24,925.41                               | 69,304.45                               |
| <b>(Increase) / Decrease in Construction WIP (B)</b>                     | <b>1,291.69</b>                         | <b>2,160.89</b>                         |
| <b>Completed Projects:</b>   |   |   |
| Opening Balance  | 42,459.41                               | 45,586.63                               |
| Adjustments/ Transfers during the year                                   | 43,019.75                               | -                                       |
| Closing Balance  | 81,837.50                               | 42,459.41                               |
| <b>(Increase) / Decrease in Completed Project Inventory (C)</b>          | <b>3,641.66</b>                         | <b>3,127.22</b>                         |
| <b>Net (Increase) / Decrease in Inventories/ Work in Progress(A+B+C)</b> | <b>4,810.91</b>                         | <b>4,635.52</b>                         |

Note - 30

(₹ in lakh)

| Work and Consultancy Expenses    | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|----------------------------------|---|---|
| Work Expenses (with material)    | 4,37,687.41                             | 4,62,915.31                             |
| Work Expenses (without material) | 7,947.04                                | 8,879.48                                |
| Consultancy                      | 1,277.79                                | 2,485.26                                |
| <b>Total</b>                     | <b>4,46,912.24</b>                      | <b>4,74,280.05</b>                      |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 31

(₹ in lakh)

| Employee Benefits Expense                | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Salaries and Incentives                  | 18,596.45                            | 19,151.60                            |
| Contribution to Provident and Other Fund | 1,528.54                             | 1,595.25                             |
| Contribution for Pension Fund            | 872.22                               | 917.86                               |
| Gratuity Fund Contributions              | 483.34                               | 457.95                               |
| Post Retirement Medical Benefit          | 417.61                               | 572.63                               |
| Leave Encashment                         | 1,321.65                             | 1,571.42                             |
| Travelling Allowance-Superannuation      | 5.15                                 | 5.58                                 |
| Staff Welfare Expenses                   | 605.74                               | 1,099.85                             |
| <b>Total</b>                             | <b>23,830.70</b>                     | <b>25,372.14</b>                     |

Note - 31 A

The Remuneration of Key Managerial Personnel including Chairman & Managing Director, Functional Directors and Company Secretary included in various schedules to Statement of Profit & Loss is as under:-

(₹ in lakh)

| Particulars *  | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Salaries and Incentives                                | 242.22                               | 193.07                               |
| Provident Fund Contribution                            | 16.03                                | 13.02                                |
| Pension Fund Contribution                              | 9.35                                 | 7.59                                 |
| Provision for Retirement Benefits (On Actuarial Basis) | 29.77                                | 26.41                                |
| <b>Total</b>   | <b>297.37</b>                        | <b>240.09</b>                        |

\* Refer Note 40.

Note - 32

(₹ in lakh)

| Finance Costs     | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|-------------------|--------------------------------------|--------------------------------------|
| Interest Expense* | 660.08                               | 666.02                               |
| <b>Total</b>      | <b>660.08</b>                        | <b>666.02</b>                        |

\* Includes Finance Cost related to lease liability.

2.21

3.72

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 33

(₹ in lakh)

| Other Expenses                                     | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| Advertisement                                      | 90.77                                   | 212.05                                  |
| Auditor's Remuneration                             | 47.91                                   | 48.52                                   |
| Bank Charges & Guarantee Commission                | 86.38                                   | 86.49                                   |
| Carriage & Freight (General)                       | 17.51                                   | 1.72                                    |
| Conference & Management Development Expenses       | 83.98                                   | 235.17                                  |
| CSR Expenditure                                    | 464.52                                  | 575.03                                  |
| Director's Sitting Fee                             | 3.95                                    | 7.20                                    |
| Entertainment                                      | 10.92                                   | 17.04                                   |
| Exchange Loss                                      | 18.84                                   | -                                       |
| Hire Charges                                       | 118.88                                  | 108.90                                  |
| Insurance  | 22.28                                   | 20.81                                   |
| Internal Audit Expenses                            | 17.49                                   | 13.48                                   |
| Interest Others                                    | 496.63                                  | 31.45                                   |
| Legal & Professional Charges                       | 457.41                                  | 443.86                                  |
| Miscellaneous Expenses                             | 387.10                                  | 339.21                                  |
| Other Consumables:                                 |   |   |
| (i) CSS  | 14.15                                   | 18.79                                   |
| (ii) Loose Tools                                   | 0.94                                    | 4.43                                    |
| (iii) Laboratory Equipment's                       | 0.12                                    | 0.15                                    |
| Postage & Telephone                                | 85.94                                   | 142.59                                  |
| Printing & Stationery                              | 61.11                                   | 171.57                                  |
| Provision for Loans & Advances                     | 173.04                                  | 760.25                                  |
| Provision for Loans to Subsidiary                  | -                                       | 51.84                                   |
| Provision for Impairment of Trade Receivables      | 1245.56                                 | 4,832.50                                |
| Provision for Impairment of Other Financial Assets | 373.39                                  | 2,018.20                                |
| Provision for Impairment of Inventory              | 2,502.04                                | 1,825.75                                |
| Provision Others                                   | 5.00                                    | -                                       |
| Provision for CSR Expenses                         | 770.54                                  | -                                       |
| Provision for Research & Development*              | -                                       | 384.11                                  |
| Provision for Investments                          | -                                       | 137.83                                  |
| Rates & Taxes                                      | 90.94                                   | 168.35                                  |
| Rent#  | 105.86                                  | 107.28                                  |
| Repairs & Maintenance:                             |   |   |
| (i) Plant & Machinery/Vehicles                     | 7.58                                    | 10.07                                   |
| (ii) Buildings                                     | 381.24                                  | 454.65                                  |
| (iii) Others                                       | 306.98                                  | 72.24                                   |
| Running Expenses of Plant & Machinery/ Vehicles    | 24.94                                   | 29.68                                   |
| Travelling & Conveyance                            | 165.99                                  | 372.86                                  |
| Water, Electricity & Allied charges                | 171.39                                  | 262.33                                  |
| <b>Total</b>                                       | <b>8,811.32</b>                         | <b>13,966.40</b>                        |

\* Provision for Research & Development has been written back in accordance with Circular No. M-05/0012/2014-DPE MOU dated July 17, 2019.

# Includes amount of Short term and Low Value leases (For details refer Note No. 41)

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 33 A

(₹ in lakh)

| Payment to Auditors       | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---------------------------|--------------------------------------|--------------------------------------|
| Audit fee                 | 23.00                                | 23.00                                |
| Tax Audit                 | 5.50                                 | 5.50                                 |
| Quarterly Limited Review  | 15.00                                | 15.00                                |
| Corporate Governance      | 2.50                                 | 2.50                                 |
| Reimbursement of Expenses | 1.91                                 | 2.52                                 |
| Total                     | 47.91                                | 48.52                                |

Note - 33 B

DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in lakh)

| Particulars  | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Average net profit of the company as per section 135(5).   | 38,527.13                            | 51,617.75                            |
| Two percent of average net profit of the company as per section 135(5)                               | 770.54                               | 1,032.35                             |
| Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | -                                    | -                                    |
| Amount required to be set off for the financial year.  | -                                    | -                                    |
| <b>Total CSR obligation for the Financial Year</b>   | 770.54                               | 1032.35                              |
| Actual Amount Spent (Including Administrative Overhead)  | 412.05                               | 575.03                               |
| Actual Amount Spent from Budget of F.Y. 2019-20  | 311.09                               | 575.03                               |
| Surplus Amount Spent   | -                                    | -                                    |
| Amount Unspent for F.Y. 2019-20  | 146.23                               | 457.32                               |
| Amount Unspent for F.Y. 2020-21  | 358.49                               |                                      |

(₹ in lakh)

CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year |        | Total Amount transferred to Unspent CSR Account. |                  | Amount transferred to any fund specified under-Schedule VII as per second proviso to section 135(5). |        |                  |
|---|--------|--|------------------|--|--------|------------------|
|   |        | Amount   | Date of transfer | Name of the Fund   | Amount | Date of transfer |
| 2019-20                                   | 575.03 |  |                  |  |        |                  |
| 2019-20*                                  | 311.09 | 149.42   | 30.04.2021       |  |        |                  |
| 2020-21                                   | 412.05 | 365.13   | 30.04.2021       |  |        |                  |

\* Amounts spent in F.Y. 2020-21 from the allocated CSR budget of F.Y. 2019-20

## Notes to the standalone Financial Statements for the year ended March 31, 2021

Details of Unspent CSR amount for the preceding three financial years:

(₹ in lakh)

| Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Amount spent in the reporting Financial Year | 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. |
|--------------------------|---|--|---|---|
| 2017-18                  | -   | 895.61                                       | -   | -   |
| 2018-19                  | -   | 978.57                                       | -   | -   |
| 2019-20                  | -   | 575.03                                       | -   | -   |
| 2019-20*                 | 149.42  | 311.09                                       | -   | 146.23  |
| 2020-21                  | 365.13  | 412.05                                       | -   | 358.49  |

\* Amounts spent in F.Y. 2020-21 from the allocated CSR budget of F.Y. 2019-20

\* Amount spent during the year :

(₹ in lakh)

| Particulars  | For the year ended on March 31, 2021 |                                  |                        | For the year ended on March 31, 2020 |
|--|--------------------------------------|----------------------------------|------------------------|--------------------------------------|
|  | From allocated budget of 2019-20     | From allocated budget of 2020-21 | Total Spent in 2020-21 | Total                                |
| (i) Construction/acquisition of any assets (A)   |                                      |                                  |                        |                                      |
| Repair & Maintenance Works of Purana Qila  | 57.33                                | -                                | 57.33                  | 166.53                               |
| For Installation of Instruments and Equipments in Research Centre Laboratory, Hindu College, Delhi       | 99.90                                | -                                | 99.90                  | -                                    |
| For Establishing Solar Panel & Solar RO, Bahraich, UP.   | 81.63                                | -                                | 81.63                  | -                                    |
| For Development of 60x30 feet Hall at Govt. High School Pahari (Gurugram), Haryana.                      | 27.92                                | -                                | 27.92                  | -                                    |
| <b>Total (A)</b>   | <b>266.78</b>                        | <b>-</b>                         | <b>266.78</b>          | <b>166.53</b>                        |
| (ii) On purposes other than (i) above  |                                      |                                  |                        |                                      |
| Educational Scholarships to Kalinga Institute of Social Sciences (KISS)                                  | -                                    | -                                | -                      | 25.00                                |
| For funding of project for fitment of Cochlear Implants to the children with hearing impairment (ALIMCO) | 43.60                                | 80.49                            | 124.09                 | -                                    |
| NDDB Foundation for Nutrition for Proposal to Distribute Giftmilk, Gadchiroli, Maharashtra               | -                                    | -                                | -                      | 12.50                                |
| Contribution to the Prime Minister's National Relief Fund in wake of COVID-19.                           | -                                    | 200.00                           | 200.00                 | 67.00                                |
| Welfare of sanitation workers engaged in KumbhMela 2019, Prayagraj.                                      | -                                    | -                                | -                      | 304.00                               |
| Administrative Expenses  | 0.71                                 | 38.53                            | 39.24                  | -                                    |
| Covid-19 Quarantine Center Charges   | -                                    | 93.03                            | 93.03                  | -                                    |
| <b>Total (B)</b>   | <b>44.31</b>                         | <b>412.05</b>                    | <b>456.36</b>          | <b>408.50</b>                        |
| <b>Total (A+B)</b>   |                                      |                                  | <b>723.14</b>          | <b>575.03</b>                        |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 34

(₹ in lakh)

| Write Offs:         | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|---------------------|---|---|
| Trade Receivables   | 1,207.78                                | 252.17                                  |
| Loans and Advances# | 966.91                                  | 145.42                                  |
| Investments         | -                                       | -                                       |
| Stores & Inventory  | 0.54                                    | 4.64                                    |
| <b>Total</b>        | <b>2,175.23</b>                         | <b>402.23</b>                           |

# Includes balance written off of ₹791.56 Lakhs against balances recoverable related to a subsidiary (NECL).

# Includes balance written off of ₹ 51.74 Lakhs against Loan given (including accrued interest) to a subsidiary (NECL).

Note - 35

(₹ in lakh)

| Tax Expenses                         | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--------------------------------------|---|---|
| Tax expense comprises of:            |   |   |
| Current Income Tax                   | 6,062.90                                | 6,379.34                                |
| Deferred Tax                         | 183.38                                  | 9,762.24                                |
| Taxation in Respect of Earlier Year* | (1,975.88)                              | -                                       |
| <b>Total</b>                         | <b>4,270.40</b>                         | <b>16,141.58</b>                        |

\* The company, during the current financial year, has revised its Income-tax return for the financial year 2018-19 and filed its Income-tax return for the financial year 2019-20 which have resulted in reduction in provision for income tax for the current financial year by ₹ 1,975.88 lakhs (net). Necessary corrective entries with regard to the same have been passed during the current financial year and the differential impact has been disclosed under the head "Taxation in respect of earlier years". Correspondingly, deferred tax assets for the current financial year have also been reduced by ₹ 230.63 lakhs (net)

Note - 35 A

The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Statement of Profit or Loss are as follows:

(₹ in lakh)

| Tax Reconciliation   | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>Accounting Profit before Tax from Continuing Operations</b> | 24,444.76                               | 24,128.36                               |
| Accounting Profit before Income Tax                            | 24,444.76                               | 24,128.36                               |
| At India's Statutory Income Tax Rate                           | 25.168%                                 | 25.168%                                 |
| Income Tax   | 6,152.26                                | 6,072.63                                |
| Tax effect due to Non-Taxable Income                           | (3.52)                                  | (1,902.56)                              |
| Tax Impact of Deduction u/s 80 M                               | (593.65)                                | -                                       |
| Effect of Taxability of Notional Rent                          | 134.24                                  | 45.70                                   |
| Effect of Non-Deductible Expenses (Net)                        | 727.19                                  | 739.07                                  |
| Effect of Reversal of Provision                                | (267.23)                                | -                                       |
| Tax effect of Gain / Loss of Property, Plant & Equipment       | -                                       | (180.33)                                |
| Effect of Foreign Taxation                                     | 422.45                                  | 76.59                                   |
| Tax in respect of Other Comprehensive Income                   | (334.68)                                | (160.04)                                |
| Tax for uncertainties over Income Tax Treatment                | 9.22                                    | 20.79                                   |
| Effect due to Change in deferred tax rate                      | -                                       | 11429.74                                |
| Tax in respect of Earlier Years                                | <b>(1,975.88)</b>                       | -                                       |
| <b>Tax Expense</b>   | <b>4,270.40</b>                         | <b>16,141.59</b>                        |
| <b>Actual Tax Expense</b>                                      | <b>4270.40</b>                          | <b>16,141.59</b>                        |
| <b>Effective Tax Rate</b>                                      | <b>17.47%</b>                           | <b>66.90%</b>                           |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 36

(₹ in lakh)

| Other Comprehensive Income                                     | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>Items that will not be reclassified to profit or loss :</b> |   |   |
| Re-measurement gains / (losses) on defined benefit plans       | (1,293.90)                              | 635.89                                  |
| Income tax effect of the above                                 | 325.65                                  | (160.04)                                |
| <b>Items that will be reclassified to profit or loss:</b>      |   |   |
| Exchange differences on translation of foreign operations      | 18.08                                   | 187.96                                  |
| Income tax effect of the above                                 | (4.55)                                  | (63.29)                                 |
| <b>Total</b>   | <b>(954.72)</b>                         | <b>600.52</b>                           |

Note - 37

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind AS-33) on "Earning per Share"

(₹ in lakh)

| Earnings per Equity Share   | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|---|---|---|
| <b>Profit attributable to Equity Holders</b>                              |   |   |
| Continuing Operations   | 20,174.36                               | 7,986.78                                |
| Discontinued Operation  | -                                       | -                                       |
| Profit attributable to Equity Holders for basic Earnings                  | 20,174.36                               | 7,986.78                                |
| Profit attributable to Equity Holders adjusted for the effect of dilution | 20,174.36                               | 7,986.78                                |
| Weighted average number of Equity shares for basic EPS                    | 1,80,00,00,000                          | 1,80,00,00,000                          |
| Face Value per Equity Share ( ₹ )   | 1.00                                    | 1.00                                    |
| <b>Earnings per Equity Share (for continuing operation):</b>              |   |   |
| (1) Basic (in ₹ )   | 1.12                                    | 0.44                                    |
| (2) Diluted (in ₹ )   | 1.12                                    | 0.44                                    |



Notes to the standalone Financial Statements for the year ended March 31, 2021

Note - 38

(₹ in lakh)

| Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for)   | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>(A) Contingent Liabilities</b>  |                      |                      |
| (a) Claims against the Company not acknowledged as debts. Counter claims of the Corporation against these claims amounting to ₹ 4321.78 lakhs (March 31, 2020 ₹ 3805.19 lakhs) not accounted for in books  | 42,970.09            | 42,312.42            |
| <b>(b) Demand in respect of taxes not accepted by company:</b>   |                      |                      |
| i) Value Added Tax Including Interest & Penalty as per demand notice order (Company is contesting these demands).  | 48,821.48            | 52,380.74            |
| ii) Goods and Services Tax (as per ruling of Delhi Authority of Advance Ruling, The MoHUA, Govt. of India is not exempt from payment of GST on sale of Commercial built-up space, as it does not relate to any function entrusted to a municipality under article 243w of the Constitution and the Company is also liable to pay GST on sale of Commercial built-up area which is recoverable from customer as per terms of sale).                         | 3,046.35             | 2,205.36             |
| iii) Service Tax (Company is contesting demands)   | 4,593.47             | 4,765.65             |
| <b>Income Tax:</b>   |                      |                      |
| iv) Demands raised by Income Tax Department but not accepted by the company.   | 482.48               | 442.58               |
| v) Appeals decided in favour of company but department has filed further appeals   | 843.94               | 843.94               |
| vi) Property Tax deposited under Protest   | 686.81               | 686.81               |
| vii) Demand by SDMC for Additional FAR at NBCC Plaza Pushp Vihar   | 3,224.00             | -                    |
| viii) Employee Provident Fund demand ( Company is contesting Demand )  | 152.49               | 152.49               |
| (ix) Enhanced Compensation for institutional Plot, HUDA, Faridabad   | 416.02               | 416.02               |
| <b>(c) Guarantees.</b>   |                      |                      |
| (i) Bank Guarantees for performance, Earnest Money Deposits and Security Deposits  | 49,165.00            | 52,296.00            |
| (ii) Performance Bank Guarantee Jaypee Infratech Limited * (Refer Note 48 (i) ).   | 10,000.00            | 10,000.00            |
| (iii) The Govt. guarantee charges on internal / external borrowings have not been accounted for as the matter regarding waiver of these charges has been taken up with the Govt. of India, Ministry of Housing & Urban Affairs.  | 1,654.93             | 1,654.93             |
| (d) Recovery at penal rate on account of excess consumption of material over theoretical norms for the materials supplied by the clients at issue price and free of cost, pending final settlement with the clients.   | NOT ASCERTAINABLE    | NOT ASCERTAINABLE    |
| <b>(B) Contingent Assets</b>   |                      |                      |
| i) Value Added Tax Including Interest & Penalty (Refer Note 38 (A) (b) (i) ) is fully payable by the Client in the event of confirmation of demand.  | 40,480.18            | 40,480.18            |
| ii) Goods and Service Tax (as per ruling of Delhi Authority of Advance Ruling, The MoHUA, Govt. of India is not exempt from payment of GST on sale of Commercial built-up space, as it does not relate to any function entrusted to a municipality under article 243w of the Constitution and the Company is also liable to pay GST on sale of Commercial built-up area which is recoverable from customer as per terms of sale. Refer Note 38(A)(b)(ii).) | 2,205.36             | 2,205.36             |

\* Consequent of the order dated March 24, 2021 of the Hon'ble Supreme Court, the Performance Bank Guarantee of ₹ 100,00.00 Lakhs submitted by company along with its Resolution Plan Dated December 03, 2019 has been returned by the Interim Resolution Professional (IRP) along with discharge letter dated May 26, 2021. (Refer Note 48 (i))

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### (C) Commitments

- (i) Capital commitment for acquisition of capital asset is NIL (P.Y. NIL).
- (ii) The company in its Board Meeting dated 23.09.2019 has decided to close the subsidiary companies viz. NBCC Engineering & Consultancy Limited and NBCC GULF L.L.C. The company has received approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs on 16.06.2020 for the proposed closure which is under process. The company will provide all required assistance and financial support to subsidiary companies as may be necessary for their closure. The amount for the same is unascertainable as on date.

### Note - 39

#### Dividend and Reserves

(₹ in lakh)

| Particulars                                      | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Cash Dividends on Equity Share declared and Paid |                                      |                                      |
| Final Dividend                                   | 2,430.00                             | 11,700.00                            |
| Dividend Distribution Tax on Final Dividend      | -                                    | 731.49                               |
| <b>Total</b>                                     | <b>2,430.00</b>                      | <b>12,431.49</b>                     |

- A) Proposed Dividend ₹ 0.47 per share on face value of ₹ 1.00 per share (P.Y. ₹ 0.135 per share on face value of ₹ 1 per share)
- B) Proposed Dividend is subject to approval of Shareholders in ensuing annual general meeting of the company.

### Note - 40

As required by Ind AS "Related Party Disclosure" are given below-

Related party transactions :

#### 1. Key Managerial Personnel (KMP)

| A. Whole Time Directors/Chief Financial Officer/<br>Company Secretary                                | B. Independent Directors  | C. Government Nominee<br>Directors |
|--|---------------------------|------------------------------------|
| 1. Shri Pawan Kumar Gupta (Chairman & Managing Director)   | 1. Dr. Jyoti Kiran Shukla | 1. Shri Kamran Rizvi               |
| 2. Shri Rajendra Chaudhari, Director (Commercial) (Tenure Extended for one year w.e.f June 10, 2020) |                           | 2. Shri Shyam Sunder Dubey         |
| 3. Shri Neelesh M Shah, Director (Projects)  |                           |                                    |
| 4. Smt. B. K. Sokhey, (Director Finance & CFO)   |                           |                                    |
| 5. Smt Deepti Gambhir (Company Secretary)  |                           |                                    |

Notes to the standalone Financial Statements for the year ended March 31, 2021

Details relating to the parties referred to in item No. A & B above:

(₹ in lakh)

| Key Managerial Personnel   | For the year ended on March 31, 2021 |                          |                                   |                    |              |   |
|--|--------------------------------------|--------------------------|-----------------------------------|--------------------|--------------|---|
|  | Short Term Employee Benefits         | Post Employment Benefits | Other Long Term Employee Benefits | Total Remuneration | Sitting Fees | O/s Loans (Gross / Advance Receivables) |
| <b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b> |                                      |                          |                                   |                    |              |   |
| Shri Pawan Kumar Gupta   | 53.61                                | 5.85                     | 7.80                              | 67.26              | -            | -                                       |
| Shri Rajendra Chaudhari  | 59.46                                | 6.07                     | 6.66                              | 72.19              | -            | -                                       |
| Shri Neelesh M Shah  | 55.41                                | 5.62                     | 5.97                              | 67.00              | -            | -                                       |
| Smt. B. K. Sokhey  | 48.65                                | 4.95                     | 4.96                              | 58.56              | -            | -                                       |
| Smt Deepti Gambhir   | 25.09                                | 2.89                     | 4.38                              | 32.36              | -            | -                                       |
| <b>B. Independent Directors</b>  |                                      |                          |                                   |                    |              |   |
| Dr. Jyoti Kiran Shukla   |                                      |                          |                                   |                    | 3.95         |   |
| <b>Total</b>   | <b>242.22</b>                        | <b>25.38</b>             | <b>29.77</b>                      | <b>297.37</b>      | <b>3.95</b>  | <b>-</b>                                |

Details relating to the parties referred to in item No. A & B above:

(₹ in lakh)

| Key Managerial Personnel   | For the year ended on March 31, 2020 |                          |                                   |                    |              |   |
|--|--------------------------------------|--------------------------|-----------------------------------|--------------------|--------------|---|
|  | Short Term Employee Benefits         | Post Employment Benefits | Other Long Term Employee Benefits | Total Remuneration | Sitting Fees | O/s Loans (Gross / Advance Receivables) |
| <b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b> |                                      |                          |                                   |                    |              |   |
| Shri Pawan Kumar Gupta   | 23.46                                | 2.72                     | (0.21)                            | 25.97              | -            | -                                       |
| Shri Rajendra Chaudhari  | 54.08                                | 5.58                     | 6.14                              | 65.80              | -            | -                                       |
| Shri Neelesh M Shah  | 50.93                                | 5.23                     | 7.71                              | 63.87              | -            | -                                       |
| Smt. B. K. Sokhey  | 28.40                                | 2.95                     | 6.67                              | 38.02              | -            | -                                       |
| Smt Deepti Gambhir   | 23.23                                | 2.69                     | 2.11                              | 28.03              | -            | -                                       |
| <b>B. CFO</b>  |                                      |                          |                                   |                    |              |   |
| Smt B. K. Sokhey   | 12.97                                | 1.44                     | 3.99                              | 18.40              | -            | -                                       |
| <b>C. Independent Directors</b>  |                                      |                          |                                   |                    |              |   |
| Dr. Jyoti Kiran Shukla   |                                      |                          |                                   |                    | 2.85         |   |
| Shri Ashok Khuranna  |                                      |                          |                                   |                    | 0.80         |   |
| Shri Rajendrasinh G. Rana  |                                      |                          |                                   |                    | 0.45         |   |
| Maj. Gen. Tajuddin Maulali Mhaisale  |                                      |                          |                                   |                    | 0.80         |   |
| Shri Sai Ram Mochaela  |                                      |                          |                                   |                    | 1.30         |   |
| Shri C.R.Raju  |                                      |                          |                                   |                    | 0.80         |   |
| Shri C.Subba Reddy   |                                      |                          |                                   |                    | 0.20         |   |
| <b>Total</b>   | <b>193.07</b>                        | <b>20.61</b>             | <b>26.41</b>                      | <b>240.09</b>      | <b>7.20</b>  | <b>-</b>                                |

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### 2. Relationship with Entities

#### Details of Joint Ventures (JV) / Associate Entities

NBCC - MHG

NBCC - AB

Real Estate Development & Construction Corporation of Rajasthan Limited

NBCC R. K. Milen

#### Details relating to the parties referred to in item No. 2 above:

(₹ in lakh)

| Particulars                        | For the year ended on March 31, 2021 |           |       |                    |
|------------------------------------|--------------------------------------|-----------|-------|--------------------|
|                                    | NBCC - MHG                           | NBCC - AB | REDCC | NBCC - R.K. Millen |
| <b>(A) Nature of Transaction :</b> |                                      |           |       |                    |
| Amount Received                    | -                                    | -         | -     | -                  |
| Amount Paid                        | -                                    | -         | 4.75  | -                  |
| Advances for works                 | -                                    | -         | -     | -                  |
| Share of Profit from J.V           | 14.00                                | -         | -     | -                  |
| Repayment of Investments           | -                                    | -         | -     | -                  |
| <b>(B) Outstanding Balances:</b>   |                                      |           |       |                    |
| Amount Receivable (Payable)        | -                                    | 1,060.59  | 5.30  | -                  |

#### Details relating to the parties referred to in item No. 2 above:

(₹ in lakh)

| Particulars                      | For the year ended on March 31, 20120 |           |       |                    |
|----------------------------------|---------------------------------------|-----------|-------|--------------------|
|                                  | NBCC - MHG                            | NBCC - AB | REDCC | NBCC - R.K. Millen |
| <b>Nature of Transaction :</b>   |                                       |           |       |                    |
| Amount Received                  | 257.49                                | -         | -     | -                  |
| Amount Paid                      | -                                     | -         | 5.12  | -                  |
| Advances for works               | -                                     | -         | -     | -                  |
| Share of Profit from J.V         | 63.00                                 | -         | -     | -                  |
| Repayment of Investments         | -                                     | -         | -     | -                  |
| <b>(B) Outstanding Balances:</b> |                                       |           |       |                    |
| Amount Receivable (Payable)      | -                                     | 1,060.59  | 0.55  | -                  |

### 3. Relationship with Entities

#### Details of Subsidiaries

NBCC Services Limited (NSL)\*

NBCC Engineering & Consultancy Limited (NECL)\*

NBCC Environment Engineering Limited (NEEL)\*

NBCC International Limited (NIL)\*

Hindustan Steelworks Construction Limited (HSCL)\*

HSCC (INDIA) Limited (HSCC)\*

NBCC Gulf L.L.C\*

NBCC DWC LLC- Dubai\*

**Notes to the standalone Financial Statements for the year ended March 31, 2021**

The company is a government company under the aegis of Ministry of Housing and Urban Affairs. 61.75% of the share holding in the company as at March 31, 2021 is held by President of India.

The Company is having six fully owned subsidiary and two partly owned subsidiary over which government exercise direct/ indirect control by holding more than 50% of the voting power.

In accordance with para 25 of Indian Accounting Standard (Ind As - 24) Related Party Disclosure, no disclosure is required for Subsidiary Companies/ Joint Venture Entities which can be treated as state controlled enterprises( i.e ownership by Central/ State Government, directly or Indirectly, is more than 50% of voting rights )

The company generally enter into transactions with the subsidiary companies at arm's length price in the normal course of business which includes the purchase and sale of properties, rendering of services and secondment of employees.

\* The provisions of section 203 of The Companies Act, 2013 regarding appointment of KMP are not applicable to the companies.

**Details of significant transactions relating to the parties referred to in item No. 3 above:**

(₹ in lakh)

| Particulars                        | For the year ended on March 31, 2021 |        |      |      |          |        |                  |              |            |
|------------------------------------|--------------------------------------|--------|------|------|----------|--------|------------------|--------------|------------|
|                                    | NSL                                  | NECL*  | NEEL | NIL  | HSCL     | HSCC   | NBCC Gulf L.L.C* | NBCC DWC LLC | Total      |
| <b>(A) Nature of Transaction :</b> |                                      |        |      |      |          |        |                  |              |            |
| Sale of Real Estate Property       | -                                    | -      | -    | -    | 1,131.10 | -      | -                | -            | 1,131.10   |
| Receipt of Secondment Charges      | 150.62                               | -      | -    | -    | 162.39   | 45.78  | -                | 7.37         | 366.16     |
| Other Receipts                     | 222.00                               | -      | -    | -    | 154.63   | 41.46  | -                | 3.29         | 421.38     |
| Dividend Received                  | 140.00                               | -      | -    | -    | 956.76   | 199.82 | -                | 1,062.16     | 2,358.74   |
| Sale of Services                   | 3,142.90                             | -      | -    | -    | -        | 55.31  | -                | -            | 3,198.21   |
| Purchase of Services               | 185.78                               | -      | -    | -    | 155.60   | -      | -                | -            | 341.38     |
| Advance Given                      | -                                    | -      | -    | -    | -        | -      | -                | -            | -          |
| Lease Rent received                | -                                    | 2.38   | 1.65 | 1.65 | -        | -      | -                | -            | 5.68       |
| Interest on Loan                   | -                                    | -      | -    | -    | -        | -      | -                | -            | -          |
| Amount Written Off                 | -                                    | 737.16 | -    | -    | -        | -      | -                | -            | 737.16     |
| Advance Maintenance Fees           | -                                    | -      | -    | -    | 54.20    | 165.94 | -                | -            | 220.14     |
| Amount Paid                        | 503.62                               | 11.30  | -    | -    | 157.62   | -      | -                | -            | 672.54     |
| Amount Recived                     | 3,330.41                             | -      | 1.94 | 1.94 | 197.38   | 91.98  | -                | 14.58        | 3,638.23   |
| <b>(B) Outstanding Balances</b>    |                                      |        |      |      |          |        |                  |              |            |
| Amount Receivable / (Payable)      | (2,319.39)                           | 2.96   | 0.49 | 0.49 | (23.61)  | 32.79  | (158.86)         | (2.04)       | (2,467.17) |

\* The company lost its control over the subsidiary companies NBCC Engineering & Consultancy Limited (NECL) and NBCC Gulf LLC w.e.f. 19.02.2021 and 02.07.2020 respectively.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Details of significant transactions relating to the parties referred to in item No. 3 above:

(₹ in lakh)

| Particulars                        | For the year ended on March 31, 2020 |        |      |      |          |          |                 |              |            |
|------------------------------------|--------------------------------------|--------|------|------|----------|----------|-----------------|--------------|------------|
|                                    | NSL                                  | NECL   | NEEL | NIL  | HSLC     | HSCC     | NBCC Gulf L.L.C | NBCC DWC LLC | Total      |
| <b>(A) Nature of Transaction :</b> |                                      |        |      |      |          |          |                 |              |            |
| Receipt of Secondment Charges      | 171.18                               | 39.71  | -    | -    | 169.98   | 80.43    | 0.11            | 2.47         | 463.88     |
| Other Receipts                     | 222.93                               | 38.51  | -    | -    | 216.93   | 68.40    | 0.13            | 1.24         | 548.14     |
| Dividend Received                  | 350.00                               | -      | -    | -    | 1,178.10 | 5,489.22 | -               | -            | 7,017.32   |
| Sale of Services                   | 1,437.27                             | -      | -    | -    | -        | 55.31    | -               | -            | 1,492.58   |
| Purchase of Services               | 2,895.88                             | 7.56   | -    | -    | 186.92   | -        | -               | -            | 3,090.36   |
| Loan Repaid along with Interest    | -                                    | 30.52  | -    | -    | -        | -        | -               | -            | 30.52      |
| Advance Given                      | -                                    | -      | -    | -    | 49.57    | -        | -               | -            | 49.57      |
| Loan Disbursed                     | -                                    | 80.00  | -    | -    | -        | -        | -               | -            | 80.00      |
| Lease Rent received                | -                                    | 2.60   | 1.65 | 1.65 | -        | -        | -               | -            | 5.90       |
| Interest on Loan                   | -                                    | 2.62   | -    | -    | -        | -        | -               | -            | 2.62       |
| Advance Maintenance Fees           | -                                    | -      | -    | -    | -        | 221.25   | -               | -            | 221.25     |
| Investment in Subsidiary           | -                                    | -      | -    | -    | -        | -        | -               | 58.68        | 58.68      |
| Amount Paid                        | 2,173.00                             | 35.10  | -    | -    | 109.00   | -        | 5.89            | -            | 2,322.99   |
| Amount Received                    | 382.95                               | -      | 1.94 | 1.94 | 291.05   | 123.05   | 175.88          | 58.68        | 1,035.49   |
| <b>(B) Outstanding Balances</b>    |                                      |        |      |      |          |          |                 |              |            |
| Amount Receivable / (Payable)      | (1,818.90)                           | 726.32 | 0.49 | 0.49 | (130.28) | 41.63    | (157.64)        | 6.62         | (1,331.26) |

Disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed.

### Note No. 41 - Ind AS 116 'Leases'

#### Movement in Lease Liability

(₹ in lakh)

| Particulars   | Note No.            | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------|----------------------|----------------------|
| Balance at the Beginning as on 31st March, 2020                           | Note -22 & Note -18 | 33.90                | 53.66                |
| Additions   | Note 2              | 13.19                | 3.57                 |
| Accretion of interest   | Note 32             | 2.21                 | 3.72                 |
| Deletions   |                     | (2.61)               | -                    |
| Payment of Lease Liability  |                     | (26.89)              | (27.05)              |
| <b>Total Lease Liability Total Lease Liability as on 31st March, 2021</b> | Note -22 & Note -18 | 19.80                | 33.90                |

Notes to the standalone Financial Statements for the year ended March 31, 2021

(₹ in lakh)

| Particulars                 | Note No.  | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------|-----------|----------------------|----------------------|
| Current Lease Liability     | Note -22  | 6.52                 | 25.33                |
| Non-Current Lease Liability | Note - 18 | 13.28                | 8.57                 |
| <b>Total</b>                |           | 19.80                | 33.90                |

Contractual maturities of lease liabilities

(₹ in lakh)

| Particulars       | As at March 31, 2021 | As at March 31, 2020 |
|-------------------|----------------------|----------------------|
| Within 1 year     | 6.52                 | 25.33                |
| 1-3 years         | 5.77                 | 0.76                 |
| More Than 3 Years | 7.51                 | 7.81                 |
| <b>Total</b>      | 19.80                | 33.90                |

(₹ in lakh)

| Particulars  | Note No. | As at March 31, 2021 | As at March 31, 2020 |
|--|----------|----------------------|----------------------|
| Recognition exemptions:  |          |                      |                      |
| Leases of low value assets                                     | Note -33 | -                    | -                    |
| <b>Leases with remaining lease term of less than 12 months</b> |          | 20.12                | 23.20                |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due

**(ii) Practical expedients applied**

In applying Ind-AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease and excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- Applied the practical expedient to grandfather the assessment of transactions lease. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company has total commitment for short-term leases of ₹ 5.97 Lakhs as at 31st March, 2021 (₹ 1.25 as at 31st March, 2020)

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note -42

#### Disclosure as per Indian Accounting Standard (Ind AS) 108 “Operating Segments”

**a) Operating Segments**

Management currently identifies the Company’s three service lines as its Operating Segments as follows:-

- Project Management Consultancy ( PMC )
- Real Estate
- Engineering, Procurement and Construction ( EPC )

**b) Segment Revenue & Expenses**

Revenue & Expenses directly attributable to the segment is considered as “Segment Revenue & Segment Expenses”

**c) Segment Assets & Liabilities**

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Company’s chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.



**Notes to the standalone Financial Statements for the year ended March 31, 2021**

The following tables present Revenue and Profit Information and certain Assets and Liability information regarding the Company's reportable segments for the years ended March 31, 2021 and March 31, 2020:

| Particulars  | PMC            |                | Real Estate    |                | EPC            |                | Unallocated    |                | Total          |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| <b>Revenue</b>   |                |                |                |                |                |                |                |                |                |                |
| Revenue to External Customers  | 4,54,056.88    | 4,80,721.72    | 9,464.10       | 14,523.25      | 24,802.99      | 22,727.43      | -              | -              | 4,88,323.97    | 5,17,972.40    |
| Inter-Segment Sale   | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| <b>Segment Revenue</b>   | 4,54,056.88    | 4,80,721.72    | 9,464.10       | 14,523.25      | 24,802.99      | 22,727.43      | -              | -              | 4,88,323.97    | 5,17,972.40    |
| Interest Revenue   | 2,751.21       | 3,407.87       | 125.84         | 163.49         | 40.94          | 150.96         | 11,447.51      | 11,227.61      | 14,365.50      | 14,949.93      |
| Interest Expense   | 659.41         | 3.04           | 0.67           | -              | -              | -              | -              | 662.98         | 660.08         | 666.02         |
| Depreciation and Amortisation  | 49.51          | 108.40         | 73.42          | 29.49          | 15.14          | 8.53           | 92.98          | 130.99         | 231.05         | 277.41         |
| Other Reversal of Provisions   | 101.59         | 0.32           | 35.97          | -              | 61.73          | -              | 2,439.73       | 928.54         | 2,639.02       | 928.86         |
| Dividend Revenue   | -              | -              | -              | -              | -              | -              | 6.08           | 23.26          | 6.08           | 23.26          |
| Dividend from Subsidiaries Companies   | -              | -              | -              | -              | -              | -              | 2,358.74       | 7,017.32       | 2,358.74       | 7,017.32       |
| Profit / (Loss) on sale of Property, Plant and Equipment   | -              | (0.19)         | -              | -              | -              | -              | (0.46)         | 711.98         | (0.46)         | 711.79         |
| The Entity's Interest in the Profit & Loss of Associates and Joint Ventures  | 14.00          | -              | -              | -              | -              | -              | -              | -              | 14.00          | -              |
| Segment Result (Profit Before Tax)   | 19,210.48      | 21,994.96      | (314.00)       | (549.90)       | 493.22         | 1,953.29       | 5,055.06       | 730.01         | 24,444.76      | 24,128.36      |
| Tax Expense  | 174.03         | -              | -              | -              | -              | -              | 4,096.37       | (16,141.58)    | 4,270.40       | (16,141.58)    |
| Material Non-Cash items other than Depreciation and Amortisation.  | 1,514.12       | 348.51         | 17.13          | -              | 278.45         | 3.12           | 365.53         | 50.60          | 2,175.23       | 402.23         |
| Segment Assets   | 3,96,968.03    | 3,57,057.44    | 1,72,240.25    | 1,80,422.36    | 62,513.48      | 65,015.30      | 1,99,294.71    | 1,74,043.18    | 8,31,016.47    | 7,76,538.28    |
| Segment Liabilities  | 5,50,979.25    | 5,14,560.46    | 33,475.93      | 31,742.73      | 52,476.32      | 52,338.27      | 24,934.82      | 25,536.31      | 6,61,866.32    | 6,24,177.77    |
| Additions to Non Current Assets other than Financial Instruments, Deferred Tax Assets, Net Defined Benefit Assets. | 18.33          | 56.41          | 0.09           | 8.48           | -              | -              | 19.67          | 752.94         | 38.09          | 817.83         |

**Geographical Information**

The operations of the Company are mainly carried out within the country and therefore, geographical segments are not disclosed.

**Information about major customers**

During the year ended March 31, 2021 revenue of approximately 19.88 % (P.Y. 11.44%) are derived from a single external customer in the Project Management Consultancy Segment.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note -43

#### Financial Assets and Liabilities

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

#### Financial Instruments by Category

(₹ in lakh)

| Particulars                   | Note Reference  | As at March 31, 2021 |                    |                    | As at March 31, 2020 |                    |                    |
|-------------------------------|-----------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                               |                 | FVTPL                | Amortised cost     | Fair Value         | FVTPL                | Amortised cost     | Fair Value         |
| <b>Financial Assets</b>       |                 |                      |                    |                    |                      |                    |                    |
| Investments                   | <b>Note -09</b> | 154.21               | -                  | 154.21             | 1,000.00             | -                  | 1,000.00           |
| Trade Receivables             | <b>Note -10</b> | -                    | 1,63,854.35        | 1,63,854.35        | -                    | 1,36,469.90        | 1,36,469.90        |
| Cash and Cash Equivalents     | <b>Note -11</b> | -                    | 1,98,341.10        | 1,98,341.10        | -                    | 1,68,422.49        | 1,68,422.49        |
| Other Bank Balances           | <b>Note -12</b> | -                    | 735.54             | 735.54             | -                    | 7,666.51           | 7,666.51           |
| <b>Other Financial Assets</b> |                 |                      |                    |                    |                      |                    |                    |
| <b>Current</b>                | <b>Note -13</b> | -                    | 9,712.22           | 9,712.22           | -                    | 13,235.53          | 13,235.53          |
| Non-Current                   | <b>Note -05</b> | -                    | 1,35,056.57        | 1,35,056.57        | -                    | 1,24,703.31        | 1,24,703.31        |
| <b>Total Financial Assets</b> |                 | <b>154.21</b>        | <b>5,07,699.78</b> | <b>5,07,853.99</b> | <b>1,000.00</b>      | <b>4,50,497.74</b> | <b>4,51,497.74</b> |

(₹ in lakh)

| Particulars                        | Note Reference  | As at March 31, 2021 |                    |                    | As at March 31, 2020 |                    |                    |
|------------------------------------|-----------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                    |                 | FVTPL                | Amortised cost     | Fair Value         | FVTPL                | Amortised cost     | Fair Value         |
| <b>Financial Liabilities</b>       |                 |                      |                    |                    |                      |                    |                    |
| Trade Payables                     | <b>Note -21</b> | -                    | 2,12,145.98        | 2,12,145.98        | -                    | 2,15,135.61        | 2,15,135.61        |
| <b>Other Financial Liabilities</b> |                 |                      |                    |                    |                      |                    |                    |
| <b>Current</b>                     | <b>Note -22</b> | -                    | 87,670.38          | 87,670.38          | -                    | 88,945.85          | 88,945.85          |
| Non- Current                       | <b>Note -18</b> | -                    | 13.28              | 13.28              | -                    | 8.57               | 8.57               |
| <b>Total Financial Liabilities</b> |                 | <b>-</b>             | <b>2,99,829.64</b> | <b>2,99,829.64</b> | <b>-</b>             | <b>3,04,090.03</b> | <b>3,04,090.03</b> |

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

#### (i) Fair Value Hierarchy

Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Notes to the standalone Financial Statements for the year ended March 31, 2021**

The following table shows the Levels within the hierarchy of Financial Assets and Liabilities measured at Fair Value on a recurring basis at March 31, 2021 and March 31, 2020:

**(ii) Financial Assets measured at Fair Value – Recurring Fair Value Measurements**

(₹ in lakh)

| Particulars                           | Period         | Note Reference | Level 1 | Level 2  | Level 3 | Total           |
|---------------------------------------|----------------|----------------|---------|----------|---------|-----------------|
| <b>Financial Instruments at FVTPL</b> |                |                |         |          |         |                 |
| Investments at FVTPL                  | March 31, 2021 | Note -09       | -       | -        | 154.21  | <b>154.21</b>   |
|                                       | March 31, 2020 |                | -       | 1,000.00 | -       | <b>1,000.00</b> |

**(iii) Valuation Technique used to determine Fair Value**

Specific valuation techniques used to value Financial Instruments includes the use of Net Asset Value for Mutual Funds on the basis of the statement received from investee party.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note -44

#### Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

#### (A) Credit Risk

The Company is exposed to credit risk from its Operating Activities (Primarily Trade Receivables) and from its Financing Activities including Deposits with Banks, Mutual Funds and Financial Institutions and other Financial Instruments.

#### (i) Credit Risk Management

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A: Low Credit Risk on Fincial Reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Company provides for Expected Credit Loss based on the following:

| Asset group          | Basis of categorisation   | Provision for expenses credit loss                   |
|----------------------|---|--|
| Low Credit Risk      | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 12 month expected credit loss                        |
| Moderate Credit Risk | Trade Receivables and Retention & Security Deposit                        | Life time expected credit loss                       |
| High Credit Risk     | Trade Receivables and other Financial Assets                              | Life time expected credit loss or fully provided for |

In respect of Trade Receivables, the company recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Company operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

During the current financial year, the company has identified certain debtors where the management has assessed substantial increase in credit risk. Following the prudent accounting practices, the company has made a provision of ₹ 17861.76 Lakhs upto March 31, 2021 (Upto March 31, 2020 ₹ 1859.16) on the net exposure of the trade receivables and corresponding trade payables where the company has legally enforceable right to adjust the same.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakh)

| Credit rating           | Particulars   | March 31, 2021 | March 31, 2020 |
|-------------------------|---|----------------|----------------|
| A: Low credit risk      | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 339,057.34     | 309,118.01     |
| B: Moderate credit risk | Trade Receivables and Retention & Security Deposit                        | 187,428.20     | 175,714.96     |
| C: High credit risk     | Trade Receivables and other Financial Assets                              | 20,710.02      | 4,443.45       |

**Notes to the standalone Financial Statements for the year ended March 31, 2021**

**Concentration of Trade Receivables**

The Company's major exposure to credit risk for trade receivables are from various Government Departments/ Ministries

**Credit Risk Exposure**

**Provision for Expected Credit Losses**

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following Financial Assets –

**A: Low Credit Risk**

**March 31, 2021**

(₹ in lakh)

| Particulars               | Note reference  | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|---------------------------|-----------------|-----------------|------------|---|
| Cash and Cash Equivalents | Note - 11       | 1,98,341.10     | -          | <b>1,98,341.10</b>                          |
| Other Bank Balances       | Note - 12       | 735.54          | -          | <b>735.54</b>                               |
| Other Financial Assets    | Note-5, 09 & 13 | 1,39,980.70     | -          | <b>1,39,980.70</b>                          |

**March 31, 2020**

(₹ in lakh)

| Particulars               | Note reference  | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|---------------------------|-----------------|-----------------|------------|---|
| Cash and Cash Equivalents | Note - 11       | 1,68,422.49     | -          | <b>1,68,422.49</b>                          |
| Other Bank Balances       | Note - 12       | 7,666.51        | -          | <b>7,666.51</b>                             |
| Other Financial Assets    | Note-5, 09 & 13 | 1,33,029.01     | -          | <b>1,33,029.01</b>                          |

**B: Moderate Credit Risk**

**Expected Credit Loss for Retention & Security Deposit with Clients:**

(₹ in lakh)

| Particulars                                     | Year           | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|---|----------------|-----------------|------------|---|
| Retention Money & Security Deposit with Clients | March 31, 2021 | 6,338.94        | 1,242.43   | 5,096.51                                    |
|   | March 31, 2020 | 7,253.11        | 1,343.28   | 5,909.83                                    |

**Expected Credit Loss for Trade Receivables under simplified approach**

**March 31, 2021**

(₹ in lakh)

| Ageing   | Note Reference | Upto 1 Year | Between 1 and 2 Years | Between 2 and 3 Years | Above 3Years | Total       |
|--|----------------|-------------|-----------------------|-----------------------|--------------|-------------|
| Gross Carrying Amount                                    | Note - 10      | 98,892.32   | 21,642.52             | 17,225.66             | 43,328.76    | 1,81,089.26 |
| Expected Credit Losses (Loss Allowance Provision)        |                | -           | 2985.18               | 3,377.52              | 10,872.22    | 17,234.92   |
| Carrying Amount of Trade Receivables (Net of Impairment) |                | 98,892.32   | 18,657.34             | 13,848.14             | 32,456.54    | 1,63,854.34 |

## Notes to the standalone Financial Statements for the year ended March 31, 2021

March 31, 2020

(₹ in lakh)

| Ageing   | Note Reference | Upto 1 Year | Between 1 and 2 Years | Between 2 and 3 Years | Above 3Years | Total       |
|--|----------------|-------------|-----------------------|-----------------------|--------------|-------------|
| Gross Carrying Amount                                    | Note - 10      | 71,784.22   | 30,535.50             | 13,632.98             | 52,509.16    | 1,68,461.86 |
| Expected Credit Losses (Loss Allowance Provision)        |                | -           | 5,794.18              | 3,474.35              | 22,723.42    | 31,991.95   |
| Carrying Amount of Trade Receivables (Net of Impairment) |                | 71,784.22   | 24,741.32             | 10,158.63             | 29,785.74    | 1,36,469.91 |

### Reconciliation of Loss Provision – Trade Receivables

(₹ in lakh)

| Reconciliation of Loss Allowance       | Loss Allowance   |
|--|------------------|
| Loss allowance on March 31, 2019       | 29,018.62        |
| Impairment Loss Recognised             | 2,973.33         |
| Reversal                               | -                |
| Loss allowance on March 31, 2020       | 31,991.95        |
| Impairment Loss Recognised             | -                |
| Reversal                               | 14,757.03        |
| <b>Loss Allowance on March 31 2021</b> | <b>17,234.92</b> |

### C : High Credit Risk

(₹ in lakh)

| Particulars            | Note Reference | Period         | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|------------------------|----------------|----------------|-----------------|------------|---|
| Trade Receivables      | Note -10       | March 31, 2021 | 18,280.36       | 18,280.36  | -   |
|                        |                | March 31, 2020 | 2,277.75        | 2,277.75   | -   |
| Other Financial Assets | Note-13        | March 31, 2021 | 2,429.66        | 2,429.66   | -   |
|                        |                | March 31, 2020 | 2,165.70        | 2,165.70   | -   |

### (B) Liquidity Risk

The Company's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Company has no fund based outstanding Bank Borrowings. The Company considers that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

### Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakh)

| March 31, 2021                    | Note Reference | Up to one year     | More than one year | Total              |
|-----------------------------------|----------------|--------------------|--------------------|--------------------|
| Trade Payable                     | Note - 21      | 2,12,145.98        | -                  | 2,12,145.98        |
| Earnest Money & Security Deposits | Note - 22      | 75,633.22          | -                  | 75,633.22          |
| <b>Total</b>                      |                | <b>2,87,779.20</b> | <b>-</b>           | <b>2,87,779.20</b> |

Notes to the standalone Financial Statements for the year ended March 31, 2021

(₹ in lakh)

| March 31, 2020                    | Note Reference | Up to one year     | More than one year | Total              |
|-----------------------------------|----------------|--------------------|--------------------|--------------------|
| Trade Payable                     | Note - 21      | 2,15,135.61        | -                  | 2,15,135.61        |
| Earnest Money & Security Deposits | Note - 22      | 75,748.18          | -                  | 75,748.18          |
| <b>Total</b>                      |                | <b>2,90,883.79</b> | -                  | <b>2,90,883.79</b> |

**C) Market Risk**

The Company's exposure towards Price Risk arises from Investments held and classified in the Balance Sheet either as Fair Value through Other Comprehensive Income or at Fair Value through Profit & Loss. To manage the price risk arising from investments in equity securities, the Company diversifies its portfolio of assets.

The Company's exposure to equity securities price risk arises from Investments held by the Company and classified in the Balance Sheet as Fair Value through Profit & Loss.

(₹ in lakh)

| Particulars | Note Reference | March 31, 2021 | March 31, 2020 |
|-------------|----------------|----------------|----------------|
| Investment  | Note - 09      | 154.21         | 1,000.00       |

**Sensitivity**

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods - (₹ in lakh)

| Particulars                  | March 31, 2021 | March 31, 2020 |
|------------------------------|----------------|----------------|
| Price Sensitivity            |                |                |
| Price increase by 3% - FVTPL | -              | 30.00          |
| Price decrease by 3% - FVTPL | -              | (30.00)        |

**Note -45**

**Capital Management**

The Company's objectives when managing capital are to:

- (i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio.

(₹ in lakh)

| Particulars          | March 31, 2021     | March 31, 2020    |
|----------------------|--------------------|-------------------|
| Equity Share Capital | 18,000.00          | 18,000.00         |
| Other Equity         | 1,51,150.15        | 134,360.51        |
| <b>Total Equity</b>  | <b>1,69,150.15</b> | <b>152,360.51</b> |

The Company has no outstanding fund based debt as at the end of the respective years. Accordingly company has NIL Capital gearing ratio as at March 31, 2021 and March 31, 2020.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note - 46

#### Revenue from Contracts with Customers :

#### Significant changes in contract Assets and Liabilities:

##### a) Contract Liabilities - Deferred Income (Revenue Received in Advance):

Invoicing in excess of revenue recognised is classified as revenue received in advance. Any amount previously recognised as revenue received in advance is recognised to revenue on satisfaction of the performance obligation over the construction period.

##### i) Movement of Contract Liabilities - Project Management Consultancy (PMC)

(₹ in lakh)

| Particulars  | Note reference | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------|----------------------|----------------------|
| Opening balance of Contract liabilities                                | Note -23       | 61,754.38            | 63,076.84            |
| Add: Amount of Revenue Recognised Reversed on Transition               |                | -                    | -                    |
| Add: Net Addition in Balance of Contract Liabilities for Current Year. |                | (1,888.64)           | (1,322.46)           |
| <b>Closing balance of Contract liabilities</b>                         |                | <b>59,865.74</b>     | 61,754.38            |

##### ii) Movement of Contract Liabilities - Real Estate

(₹ in lakh)

| Particulars   | Note reference | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------|----------------------|----------------------|
| Opening balance of Contract liabilities                               | Note -23       | 23,623.57            | 30,366.62            |
| Add: Amount of Revenue Recognised Reversed on Transition              |                | -                    | -                    |
| Add: Net Addition in balance of contract liabilities for current year |                | 4,390.02             | (6,743.05)           |
| <b>Closing balance of Contract liabilities</b>                        |                | <b>28,013.59</b>     | 23,623.57            |

##### iii) Movement of Contract Liabilities -Engineering, Procurement and Construction (EPC)

(₹ in lakh)

| Particulars   | Note reference | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------|----------------------|----------------------|
| Opening balance of Contract liabilities                               | Note -23       | 2,461.25             | 5,373.78             |
| Add: Amount of Revenue Recognised Reversed on Transition              |                | -                    | -                    |
| Add: Net Addition in balance of contract liabilities for current year |                | (618.10)             | (2,912.53)           |
| <b>Closing balance of Contract liabilities</b>                        |                | <b>1,843.15</b>      | 2,461.25             |



Notes to the standalone Financial Statements for the year ended March 31, 2021

**b) Contract Liabilities - Security Deposit & Retention Money:**

(₹ in lakh)

| Particulars   | Note reference | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------|----------------------|----------------------|
| Opening balance of Contract liabilities - Security deposit & Retention Money            |                | 75,748.18            | 71,296.60            |
| Less: Amount of unwinding reversed during the year                                      | Note -22       | -                    | -                    |
| Add: Net Addition in balance of contract liabilities for current year                   |                | (114.96)             | 4,451.58             |
| <b>Closing balance of Contract liabilities - Security deposit &amp; Retention Money</b> |                | <b>75,633.22</b>     | <b>75,748.18</b>     |

**c) Contract Assets - Unbilled Revenue:**

Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Revenue in excess of billing is recorded as unbilled revenue and is classified as a contract asset. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

**Movement of Contract Assets - Unbilled Revenue:**

(₹ in lakh)

| Particulars  | Note reference | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------|----------------------|----------------------|
| Opening Balance of Contract assets - Unbilled Revenue            |                | 2,439.43             | 1,508.10             |
| Less: Amount of Revenue Reversed on Transition                   | Note -13       | -                    | -                    |
| Add: Net Addition in Balance of Contract Assets for Current Year |                | (255.18)             | 931.33               |
| <b>Closing Balance of Contract assets - Unbilled revenue</b>     |                | <b>2,184.25</b>      | <b>2,439.43</b>      |

**d) Contract Assets - Security Deposit & Retention Money with Clients:**

(₹ in lakh)

| Particulars   | Note reference      | As at March 31, 2021 |                 |
|---|---------------------|----------------------|-----------------|
|   |                     | Non Current          | Current         |
| Opening Balance of Contract assets - Security deposit & Retention Money with Clients            |                     | 11,308.87            | 7,253.11        |
| Add: Amount of Discounting Reversed on Transition   | Note -05 & Note -13 | -                    | -               |
| Add: Net Addition in balance of contract assets for current year                                |                     | (971.02)             | (914.17)        |
| <b>Closing Balance of Contract assets - Security deposit &amp; Retention Money with Clients</b> |                     | <b>10,337.85</b>     | <b>6,338.94</b> |

Notes to the standalone Financial Statements for the year ended March 31, 2021

(₹ in lakh)

| Particulars   | Note reference      | As at March 31, 2020 |                 |
|---|---------------------|----------------------|-----------------|
|   |                     | Non-Current          | Current         |
| Opening Balance of Contract assets - Security deposit & Retention Money with Clients            | Note -05 & Note -13 | 6,539.41             | 12,489.94       |
| Add: Amount of Discounting Reversed on Transition   |                     | -                    | -               |
| Add: Net Addition in balance of contract assets for current year                                |                     | 4,769.46             | (5,236.83)      |
| <b>Closing Balance of Contract assets - Security deposit &amp; Retention Money with Clients</b> |                     | <b>11,308.87</b>     | <b>7,253.11</b> |

e) Revenue Recognised in relation to Contract Liabilities :

Disclosure pursuant to para 116(b) & (c) of Ind AS 115 in respect of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods are as below:

(₹ in lakh)

| Particulars   | For the year ended on March 31, 2021 |
|---|--------------------------------------|
| Amounts included in Contract Liabilities at the Beginning of the year | -                                    |
| Performance obligations Satisfied in Previous Years                   | -                                    |
| <b>Total</b>  | <b>-</b>                             |

f) Disclosure pursuant to para 116(a) of Ind AS 115 Assets and Liabilities related to Contracts with Customers.

(₹ in lakh)

| Particulars   | Note Reference      | As at March 31, 2021 |             | As at March 31, 2020 |            |
|---|---------------------|----------------------|-------------|----------------------|------------|
|   |                     | Non-current          | Current     | Non-current          | Current    |
| <b>Contract Assets Related to Sale of Service:</b>      |                     |                      |             |                      |            |
| Unbilled Revenue  | Note -13            | -                    | 2,184.25    | -                    | 2,439.43   |
| Trade Receivables                                       | Note -10            | -                    | 1,63,854.35 | -                    | 136,469.90 |
| Security Deposit & Retention Money                      | Note -05 & Note -13 | 10,337.85            | 6,338.94    | 11,308.87            | 7,253.11   |
| <b>Contract Liabilities related to Sale of Service:</b> |                     |                      |             |                      |            |
| <b>Revenue Received in Advance:-</b>                    |                     |                      |             |                      |            |
| - Project Management Consultancy (PMC)                  | Note -23            | -                    | 59,865.74   | -                    | 61,754.38  |
| - Real Estate   | Note -23            | -                    | 28,013.59   | -                    | 23,623.57  |
| - Engineering, Procurement and Construction (EPC)       | Note -23            | -                    | 1,843.15    | -                    | 2,461.25   |

**Notes to the standalone Financial Statements for the year ended March 31, 2021****g) Performance obligations and remaining performance obligations :**

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, such as changes in the scope of contracts, periodic revalidations, terminations, adjustment for revenue that has not materialized as at the reporting date.

**Note -47****Inventory Disclosures****LAND BANK**

The company is carrying inventory of 17 Lands of ₹ 67216.56 Lakhs for over 6 years. These lands are purchased for Real Estate Development. However, due to slowdown in real estate market, the company has deferred the plans to develop these lands. Further following lands are not registered in the name of the company:

**(i) Land at Naya Raipur, Chattisgarh**

The company has purchased a Group Housing Plot admeasuring 30,436 Sqm. in Naya Raipur from Naya Raipur Development Authority (NRDA) on lease for a total sum of ₹ 2247.09 Lakhs in the year 2014. As per the terms of allotment, the lease deed is to be executed on completion of 50% construction as per the approved plan. However, in view of the current market scenario, the company has kept in abeyance the construction on the said land. As such, the execution of conveyance deed is pending.

**(ii) Land at Faridabad**

The company purchased a freehold plot admeasuring 16,753.99 Sqm. for group housing in open auction from Municipal Corporation of Faridabad (MCF) for a total sum of ₹ 13178.41 Lakh in the year 2013. The company has paid full consideration and has taken the possession of land. The company has been pursuing MCF for execution of lease deed but till date the same has not yet been executed for want of environment clearance. The company has applied for environment clearance for which obtaining NOC from Forest Department is necessary. Accordingly, the company applied for NOC from Forest department, however the same is denied on the ground that "the criteria for clarification of deemed forests is pending before the Hon'ble Supreme Court and Govt. of Haryana has not identified deemed forests". Whereas in Clause No. 24 of letter of allotment of land, the MCF stated that, "Deputy Conservator of Forests, Faridabad vide her office memo no. 569 dated August 28, 2012 has intimated that the area under Group Housing plots is notified under general section-4 of Punjab Land Preservation Act, 1900". Thus, denial of NOC by Forest Department is contrary to what is contained in Letter of Allotment. NBCC has taken up with Government of Haryana to either issue necessary instructions to Forest Department for issuing of NOC as required for Environmental Clearance or refund the amount paid with interest to NBCC. The company is also exploring the possibility of early execution of lease deed from MCF or referring the matter to AMRCD for early resolution.

**(iii) Land at Alwar**

The company purchased a plot admeasuring 4197 Sq. Mtr. from Urban Improvement Trust (UIT), Alwar in the year 2013 for ₹ 974.03 Lakh. Even after several requests for handing over the possession and execution of lease deed, UIT failed to hand over the possession and execute the lease deed. UIT intimated that lease cannot be executed due to Civil Writ petition filed before Hon'ble High Court of Rajasthan in the matter of Giriraj Prasad Vs. State of Rajasthan and the Lease deed will be executed only after judgment in favour of the State Government. The company is exploring the possibility for early resolution of matter through AMRCD.

**(iv) Land at Ghaziabad**

The company purchased a land admeasuring 16225.05 Sq. Mtr. at Koyal Enclave from Ghaziabad Development Authority (GDA) in the year 2015. The company has incurred a total cost of ₹ 5495.13 Lakh. The lease deed and the possession in respect of the above plot has not yet been executed. GDA has demanded a sum of ₹ 462.41 Lakh towards infrastructure Charges vide letter No. 2433 dated December 13, 2019. The said demand is not acceptable to the company and in view of the same, the company has requested Ghaziabad Development Authority for cancellation of allotment & refund of entire amount with interest as per the terms of allotment etc.

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### WORK IN PROGRESS AND COMPLETED PROJECTS

#### (v) NBCC Plaza at PushpVihar

“The company has undertaken a project for construction of “Additional Shopping cum Car Parking Blocks” in “NBCC Plaza” at PushpVihar, New Delhi and has paid a sum of ₹ 3021 Lakh to L&DO, MoHUA in the year 2010 as additional premium for availing additional ground coverage (FAR). However, later South Delhi Municipal Corporation [SDMC], vide its letter dated May 20, 2015, while approving the building plans subject to compliance of few conditions, demanded additional FAR charges amounting to ₹ 3224 Lakh. The SDMC also stayed the construction till the time, said amount is paid to them. Since the company had already deposited the said amount with L&DO, it represented the matter to SDMC as well as L&DO, at different forums. During the year MoHUA has informed the company that SDMC may only recover charges other than additional FAR charges, if any. MoUHA also directed SDMC to release the Sanctioned Building Plan to NBCC at the earliest. In addition to the above the company has incurred a sum of ₹ 1718.84 lakhs on construction of the project till March 31, 2021. The net realisable value of the constructed block is ₹ 824.65 lakhs. The company has made a provision in the books for impairment in the value of assets amounting to ₹ 894.19 lakhs.”

#### (vi) Kochi, Kerala

The company has constructed Group Housing Real Estate project at Kochi, Kerala containing 3,20,216 Sq. ft. residential and 3,979 Sq. ft. commercial area. The company has incurred an amount of ₹ 8699.87 lakh thereon. The sale in the project is pending for want of environmental clearance (EC), which is also mandatory for registration under RERA registration.

#### (vii) Jakson Gate, Agartala

The company executed a real estate project at Jakson Gate, Agartala in the year 2010 under Joint Operations with Agartala Municipal Council (AMC). As the company was unable to sell the constructed area, the substantial portion of the constructed area has been let-out to various Government Organizations. Real Estate Marketing Division is exploring the possibilities to sell the same in consultation with JV partner. The company has incurred a sum of ₹ 916.96 lakh as on date.

#### (viii) Group Housing project in Alwar

The company has executed Group Housing project in Alwar with a total expenditure of ₹ 5775.82 Lakh. The substantial portion of the project was completed in the year 2018. The company initiated the sale of the project in the year 2014 – 15. No sale, however, could be effected. The company plans to re-start the sale in the project, for which it has to incur additional cost to refurbish the constructed area. The value of the project has deteriorated and the company has made provision of ₹ 1172.23 lakhs towards impairment in the cost of the work in progress.

#### (ix) Sukheas Lane, Kolkata

Sukheas Lane, Kolkata property is Joint Venture Property with Kolkata Metro Rail Corporation Limited (KMRCL) located in the city centre of Kolkata. The property is not completed from long time due to pendency of Writ Petition no. 833/2014 before Hon'ble High court of Kolkata since the year 2014 challenging the aforesaid land acquisition by KMRCL. The company has incurred a sum of ₹ 549.59 lakhs on this project which are lying since 2014.

#### (x) Sector - 37 D, Gurugram

“The company developed a residential real estate project comprising residential and EWS units at NBCC Green View, Sector - 37 D, Gurugram. The project was completed and the occupancy certificate was received in the year 2017 - 18. The complex is partially sold and occupied by the residents. Owing to the observations by NBCC officials and several representations from homebuyers regarding various structural and other defects, the company appointed IIT Delhi (IITD) to examine the matter and suggest methodology to retrofit the structures for mitigating the noticed defects in totality. The work as per the methodology given by IITD is being done on site by the main civil contractor at his cost. The company is also considering other value additions in structural designs as suggested by IITD for enhancing marketing of the balance inventory. The cost, if any, in this regard shall be borne by the company. The matter is under investigation by vigilance department for any irregularity, internal or otherwise. Necessary accounting adjustments, if warranted, shall be made after conclusion of vigilance procedures.”

## Notes to the standalone Financial Statements for the year ended March 31, 2021

### Note -48

#### Other Disclosures

(i) Reference to the Corporate Insolvency Resolution Process (CIRP) of Jaypee Infratech Limited (JIL), the company (NBCC) had submitted its resolution plan on December 3, 2019 along with an addendum dated December 09, 2019 which was approved by Committee of Creditors (CoC) by a majority (97.36%) of voting share pursuant to the e-voting initiated on December 10, 2019 and ended on December 16, 2019.

The Hon'ble Supreme Court vide its order dated March 24, 2021 passed in Civil Appeal No. 3395 of 2020, Jaypee Kensington Boulevard Apartments Welfare Association & Ors. vs NBCC (India) Ltd. & Ors. has inter alia directed IRP to complete the CIRP within the extended time of 45 days from the date of judgments i.e. March 24, 2021. The Hon'ble Supreme Court allowed IRP to invite modified/fresh resolution plans from the company and Suraksha Realty by extending time to submit the same within 2 weeks i.e. up to April 07, 2021.

As per the Hon'ble Supreme Court Order dated March 24, 2021, IRP invited the company vide email dated March 24, 2021 for submission of the revised resolution plan.

The company submitted its final resolution plan on June 04, 2021 supplemented by addendums dated June 07, 2021 & June 09, 2021 which was accepted by Committee of Creditors (COC) of JIL and put to vote for COC through e-voting initiated on June 14, 2021 and ended on June 23, 2021. Since the company lost bidding, the resolution plan submitted by the company has not been approved by COC.

The company has incurred an amount of ₹148.92 Lakhs (P.Y. ₹ 114.00 Lakhs ) in financial year 2020-21 on account of legal and professional fee after initiation of the bidding process of JIL and the same have been charged to revenue during the year in which the expenditure has been incurred."

(ii) The company is executing contracts for construction of various buildings of IIT Kharagpur. The trade receivables as on March 31, 2021 include ₹ 1582.04 Lakh on account of outstanding for above project. Due to irregularities in the project, the matter is pending with vigilance department. Other corresponding accounts as on the date of balance sheet include trade payables of ₹ 1714.66 Lakh, Security deposit from contractors of ₹ 365.67 Lakh and the provision for expected credit loss [ECL] of ₹ 288.08 Lakh. Necessary accounting adjustments, if any, shall be made after conclusion of vigilance procedures and remeasurement.

(iii) The major clients of the company are ministries, Government Departments, Government Authorities and Public Sector Undertakings. The balances of the clients in the nature of Trade Receivables, Loans and Advances, Earnest Money Deposit, Security Deposit and Deposits in the nature of trade receivables classified under current and non current assets; and also the trade payables are subject to confirmation, reconciliation and consequent adjustments. The management does not expect any significant impact upon such reconciliation.

(iv) The Company, during the year has opened a foreign branch at Republic of Maldives on March, 31, 2021 and there is no financial transaction at the branch.

(v) The spread of COVID - 19 pandemic has severely impacted businesses around the globe. In many countries, including India, there have been severe disruptions in regular business operations due to Lockdown. During the financial year 2020-21, the country was in partially in lockdown and the company temporarily suspended its operations in all its offices, in compliance with the Lockdown advisory issued by Central / Respective State Government.

As a result of Lockdown, the volumes for the year have been partially impacted. The company's management has made an initial assessment of likely adverse impact on revenues and believes that the impact on revenues is likely to be short term in nature. The company has also made a detailed assessment of its liquidity position for the next year and also the recoverability & carrying value of its assets comprising property plant and equipment, right to use assets, investments, inventories and trade receivables. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets. The situation is changing rapidly and is giving rise to inherent uncertainties around the extent and timing of the potential future impact of COVID - 19 which may be different from that estimated at the time of approval of these financial results. The company continues to closely monitor any material changes arising out of future economic conditions and impact

## Notes to the standalone Financial Statements for the year ended March 31, 2021

on its business. The management does not see any risk in the ability of the company to continue as a going concern and meeting its liabilities as and when due”

### Note -49

#### Events After Balance Sheet Date

Proposed Dividend ₹ 0.47 per share on face value of ₹ 1.00 per share (previous year ₹ 0.135 per share on face value of ₹ 1 per share)

### Note -50

#### Regrouping / Reclassified

Previous year figures have been regrouped and/or reclassified, wherever considered, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.

For and on behalf of the Board of Directors

Sd/-

**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-

**B. K. SOKHEY**  
Director (Finance)/ CFO  
(DIN : 06955670)

Sd/-

**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
For DHAWAN & CO.  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-

**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi  
Date : June 29, 2021





# **CONSOLIDATED FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF NBCC (INDIA) LIMITED

#### Report on the Audit of the Consolidated Financial Statements

#### Qualified Opinion

We have audited the accompanying consolidated financial statements of NBCC (India) Limited, (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding company and its subsidiaries collectively referred to as "the Group"), its joint ventures, which comprise the consolidated balance sheet as at 31st March, 2021, the consolidated statement of profit and loss, including Other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statement, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view, subject to the matters reported in the basis for qualified opinion below, in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Joint Ventures as at 31st March, 2021, of consolidated profit, total consolidated comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Qualified Opinion

The statutory auditor of one of the 100% subsidiary of the company (HSCC) has given qualified opinion on the following:

1. Note No. 56 D (ii), (iii) and (iv) - Significant transactions of Doubtful Reliability, amounting to ₹ 2,926.00 lakh were noticed in company's bank account with Indian Overseas Bank, Noida in the financial year 2017-18. The final amount of "Transactions of Doubtful Reliability" has still not been determined, as the report of forensic auditors, appointed by the holding company, has not been received. A provision was made for Rs 2,926 lakh in financial year 2017-18 out of Reserves as at 1st April 2017. The Bank reconciliation statements for the said bank accounts are also pending for reconciliation. In the absence of adequate information about the extent and volume of such transactions, the consequential effect on the Ind-AS financial statements of the company, if any, is presently not ascertainable.
2. Information of the cases reported/ enquired/ under enquiry by the Chief Vigilance Officer has not been provided to us by the company. The impact of the same on the financial statements of the company, if any, is presently not ascertainable.
3. The Company has not provided us information regarding the projects which have been completed and handed over to Ministries/Clients and the projects which have been completed but not handed over to the clients and the status of financial closure in books of accounts for such projects. The consequential impact, if any, arising out of such projects on the financial statements, could not be presently ascertained. Audit report on the financial statements for the previous year ended 31 March 2020 was also qualified in respect of this matter.
4. The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/ payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients and claims payable. Due to non-availability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any, arising from reconciliation and settlement of account balances on the financial statements of the company. Audit report on the financial statements of the company for the previous year ended 31 March 2020 was also qualified in respect of this matter.
5. There are unreconciled balances of inter projects of ₹ 85.15 lakh (Previous year: ₹ 228.14 lakh) for receivables and ₹ 244.22 lakh (Previous year: ₹ 521.74 lakh) for payables. The consequential impact, if any, arising out of such non reconciliation could not be presently ascertained. Audit Report on the financial statements of the company for the previous year ended 31 March, 2020 was also qualified in this matter.



We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report*. We are independent of the group and its joint ventures, in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

### Emphasis of Matters

We invite attention to the following matters in the notes to the standalone financial statement:

- i) Note No. 56 B(a)(i) and 56B(a)(ii) regarding non-execution of conveyance deed in favour of the company and Note No. 56B(a)(iii) and 56B(a)(iv) regarding non handing over of possession and non execution of lease deed and other matters incidental thereto, in respect of various properties, forming part of the land bank (inventory) involving in aggregate a sum of ₹ 21,894.66 Lakh;
- ii) Note No. 56B(a)(v) regarding payment by the company to L&DO, MoHUA as premium for availing additional ground coverage at company's built up and sold project "NBCC Plaza" and incurring of other construction cost and consequential expenses thereon for project which is stuck up on account of similar demand raised by South Delhi Municipal Corporation in respect of additional ground coverage, in the year 2015;
- iii) Note No. 56B(a)(vi) regarding developed real estate project having a carrying value of ₹ 8699.87 Lakh and remaining unsold for want of environmental clearance;
- iv) Note No. 56B(a)(vii) regarding developed real estate projects having a carrying value of ₹ 916.96 Lakh and remaining unsold due to unfavourable market conditions;
- v) Note No. 56B(a)(viii) regarding developed real estate projects costing ₹ 5775.82 Lakh and remaining unsold for over five years due to unfavourable market conditions resulting in deterioration in value by ₹ 1172.23 Lakh;
- vi) Note No. 56B(a)(x) regarding developed real estate partially sold and occupied project, remaining unsold due to structural and other defects. The matter is also under investigation by vigilance department;
- vii) Note No. 56B(ii) regarding irregularities in the project being executed by the company and consequent referral of the matter to vigilance department;
- viii) Note No. 56B(v) regarding uncertainties arising out of the outbreak of COVID - 19 pandemic and disruptions in regular business operations due to lockdown and consequential assessment made by the management on its business and its associated financial risks;
- ix) Note No. 56B(iii) regarding the balances of Trade Receivables, Loans and Advances, Security Deposits, Earnest Money Deposits, Deposits and Trade Payables being subject to reconciliation, confirmation and consequential adjustments thereof.

Our opinion is not modified in respect of above matters.

The statutory auditor of one of the 100% subsidiary of the company (HSCL) has given following emphasis of matter:

#### We draw attention to:

- i) Note No 56C(i) regarding balances shown under claims recoverable, Trade Receivables, Advances to Contractors, Trade Payable and Sundry Deposits / Earnest money from contractors which are subject to confirmation and respective consequential adjustments.
- ii) Note No. 28 regarding GST - the Company is still under Process of determination of anti-profiteering element.
- iii) Note No. 56A(iv) regarding the management assessment of the financial impact related to COVID -19 pandemic situation for which a definite assessment of the impact in subsequent periods is highly dependent on future economic developments and circumstances as they evolve.

Our opinion is not qualified in respect of these matters.

The statutory auditor of one of the 100% subsidiary of the company has given following emphasis of matter:

- i) Note No 2 regarding construction has not been commenced on leasehold land, having book value of Rs 389.16 Lakh, whereas as per the lease deed the construction was to be completed by April 2017. The company has not applied for

the extension of time for construction on the said plots of land. Consequently, The New Okhla Industrial Development Authority reserves the right to resume the said property.

- ii) Note No. 56A(iv) regarding the possible effects of uncertainties relating to COVID-19 on company's operations and results as assessed by the management.

Our report is not qualified on that matter.

The statutory auditor of one of the 100% subsidiary of the company (NEEL) has given following emphasis of matter:

Note 56 A(i) regarding holding company, NBCC (India) Limited has decided to close the company due to non-receipt of sizeable business. In this regard, the holding company received the approval from the Ministry of Housing and Urban Affairs (MoHua) vide letter dated March 27, 2019 for the closure of the company. On May 09, 2019 Ministry of Department of Investment and Public Asset Management (DIPAM) has approved for closure for company through merger.

On June 19, 2020, the Board of Directors of NEEL had approved a Scheme of Merger ("the Scheme") between NEEL and NBCC (India) Limited which was subsequently approved by the Board of Directors of NBCC (India) Limited in their Board Meeting dated July 06, 2020. The Scheme has been filed with Ministry of Corporate Affairs (MCA) on December 24, 2020. With effect from the appointed date and upon the scheme becoming effective, NEEL will merge with NBCC (India) Limited on a going concern basis.

Our opinion is not modified in respect of this matter.

The statutory auditor of one of the 100% subsidiary of the company (NIL) has given following emphasis of matter:

Note 56 A(ii) regarding the holding company M/s NBCC (India) Limited vide Board Meeting dated August 11, 2018 passed the resolution to close down the company M/s NBCC International Limited because of no credentials and non receivable of sizable business orders. In view of the same, approval was sought from the Ministry of Housing and Urban Affairs and the same was conveyed by the Ministry vide letter dated March 27, 2019. The company has filed Application with ROC for merger with Parent Company NBCC (INDIA) LIMITED. It is proposed to merge the Company with the parent company as a 'Going Concern'.

Our opinion is not modified in respect of this matter.

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

The Holding company's management and board of directors are responsible for preparation of the other information. The other information comprises the information included in director's report and annexure but does not include the consolidated financial statements and our Auditor's Report thereon. The director's report and annexure is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the 'Other reports', if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

#### ***KEY Audit Matters***

Key audit matters (KAM) are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Key Audit Matters  | Auditor's Response  |
|--|---|
| <p><b>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in respect of "Revenue from contracts with Customers" under Ind AS 115 (Revenue Accounting Standard)</b></p> <p>The application of this accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period, and disclosures including presentations of balances in the financial statements.</p> <p>An estimated effort is a critical estimate to determine revenue, as it requires consideration of progress of the contract. Efforts incurred till date, efforts required to complete the remaining performance obligation.</p> <p>Refer Note No. 30 to the consolidated financial statements.</p> | <p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <p>Evaluated the effectiveness of control over the preparation of information that are designed to ensure the completeness and accuracy.</p> <ul style="list-style-type: none"> <li>• Selected a sample of existing continuing contracts and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price..</li> <li>• Tested the relevant information, accounting systems and change relating to contracts and related information used in recording and disclosing revenue in accordance with the Ind AS 115.</li> <li>• Reviewed some sample of contracts to identify possible delays in achieving milestones which require change in estimated efforts to complete the remaining performance obligation.</li> <li>• Performed analytical procedures and test of details for reasonableness and other related material items.</li> </ul> |
| <p><b>Assessment and Recoverability of trade receivables</b></p> <p>The group has net trade receivables outstanding of ₹ 207108.28 Lakh as at 31<sup>st</sup> March, 2021.</p> <p>These balances are related to revenue recognized in line with Ind AS for ongoing contracts and completed contracts. The assessment of its recoverability is a key audit matter in the audit due to its size and high level of management judgment.</p> <p>Refer Note No. 15 to the consolidated financial statements.</p>  | <p><b><u>Principal Audit Procedures</u></b></p> <p>We assessed the company's internal process to recognize the revenue and review mechanism of trade receivables. Our audit approach consisted testing of the design and operating effectiveness of internal controls and procedures as follows:</p> <ul style="list-style-type: none"> <li>• Evaluated the process of invoicing, verification and reconciliation with customer.</li> <li>• Obtained the list of project wise outstanding details and its review mechanism by the management.</li> <li>• Reviewed the guidelines and policies of the company for impairment of trade receivables.</li> <li>• Tested the accuracy of ageing of trade receivables at the year end on sampling basis.</li> <li>• Performed analytical procedures and test of data, their reasonableness and recoverability and other material items.</li> </ul>  |

| Key Audit Matters   | Auditor's Response   |
|---|--|
| <p><b><u>Provisions and Contingent Liabilities</u></b></p> <p>The group is involved in various taxes and other disputes for which final outcomes cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgment and such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements. Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.</p> <p>Refer Note No. 43 to the consolidated financial statements.</p> | <p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedure in response to this key Audit Matter included, among others:</p> <ul style="list-style-type: none"> <li>• Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings.</li> <li>• Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the company considering the legal precedence and other rulings in similar cases.</li> <li>• Inquiry with legal and tax departments of the company regarding the status of the most significant disputes and inspection of the key relevant documentation.</li> <li>• Analysis of opinion received from the experts, where available.</li> <li>• Review of the adequacy of the disclosures in the notes to the financial statements.</li> </ul>   |
| <p><b><u>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates *</u></b></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration for progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>  | <p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations.</li> <li>• Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.</li> <li>• Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations.</li> <li>• Perform analytical procedures and test of details for reasonableness of incurred and estimated efforts.</li> </ul> |

\* Key Audit Matter as reported by auditor of one of the subsidiary viz. NBCC Services Limited.

#### ***Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements***

The Holding company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and its joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective board of directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement,

whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of the Group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the group and its joint ventures are responsible for overseeing the financial reporting process of the group and its joint ventures.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its joint ventures, which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its Joint Ventures controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We did not audit the financial statements / financial information of 8\* subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 5,26,407.22 Lakh, net assets of ₹ 48,523.17 Lakh at 31st March, 2021, total revenues of ₹ 1,97,854.56 Lakh and net cash Inflows/(outflows) amounting to ₹ 26,890.89 Lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 19.84 Lakh for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of 3 joint ventures, whose financial statements / financial information have not been audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the holding company's management on 28.06.2021 and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors and the procedure performed by us are as stated in Auditor's Responsibility section above after considering the requirement of Standard on Auditing (SA 600) on using the work of another auditor' including materiality.

Two of the subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles in its country to accounting principles generally applicable in India. These converted financial statements have been certified by a Chartered Accountant in India appointed by the company for the specific purpose and has been relied upon by us. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India are based on the reports of other auditors as mentioned above.

\*NBCC GULF LLC and NBCC Engineering and Consultancy Limited Considered upto 30/06/2020 and upto 18/02/2021 respectively for consolidation in consolidated financial statements due to loss of control [Refer Note No. - 55].

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Further to above;

a) NBCC – RK Millen, Parent's joint venture has not been considered for consolidation since it is not operational and there is ongoing legal case between co-venturers [Refer Note No. -8B].

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and joint ventures referred to in the Other Matters section above, we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. Being Government Companies, the provisions of section 164(2) of the Act in respect of disqualification of directors are not applicable to the company and its subsidiaries incorporated in India, in terms of notification no. G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India. On the basis of the reports of the statutory auditors of one joint venture incorporated in India, none of the directors of the joint venture is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in “**Annexure 1**”;
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company and its subsidiary companies and joint ventures incorporated in India being Government Companies, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements of the subsidiary companies and joint ventures, as noted in other matter paragraph:
  - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the group, its joint ventures. (Refer Note 43 to the Consolidated Financial Statements).
  - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts. Further, the company does not have any derivative contract as at March 31, 2021.
  - iii) There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the company in accordance with the relevant provisions of the Act and Rules made thereunder.

**For DHAWAN & CO.**

Chartered Accountants

ICAI Firm Registration No.: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

M. No.: 073740

ICAI UDIN : 21073740AAAACL8517

Place: New Delhi

Date: June 29, 2021

## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF NBCC (INDIA) LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### ***Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statement under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")***

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of **NBCC (INDIA) LIMITED** (hereinafter referred to as "Holding Company") and its subsidiary companies (collectively referred to as "the Group") and its joint ventures, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective board of directors of the holding company its subsidiary companies and its joint ventures which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the group and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in term of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of the Group, and its joint ventures, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**



Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated 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 and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to consolidated financial statements criteria established by the Group and its joint venture, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to consolidated financial statements issued by the Institute of Chartered Accountants of India except in case of one of the 100% subsidiary company (HSCC), where the auditor has given qualified opinion as under;

According to the information and explanations given to us and based on our audit the following material weakness/ es have been identified as at 31st March 2021:

- i. The company does not have an Information Technology Policy in operation. This could result in potential breach in respect of data integrity, confidentiality, unauthorised access to IT systems of the company.
- ii. The Company does not have an effective Information Systems Audit to evaluate and test the IT general controls, which may affect the completeness, accuracy and reliability of the reports generated from IT System.
- iii. The maker checker concept for voucher posting and authenticating in ERP is deficient, resulting in posting the entries in wrong heads/ wrong amounts/ duplicates posting without manual approval and this could potentially materially misstate various captions in the financial statements.
- iv. The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients, Client General and claims payable. This could potentially result in Company materially misstating the assets and liabilities in the financial statements.
- v. The company does not have a system of segregation of User-Rights in the ERP system, resulting in incorrect entries being passed by employees, which may result in potential misstatement in the financial statements.
- vi. The company does not have a system of entering banking transactions on real time basis, and various transactions are entered after the end of the month on preparation of Bank Reconciliation statement. This could lead to delay in identification of "Transactions of Doubtful Reliability", and thereby further delaying appropriate action.
- vii. The company does not have control over financial closure of Projects, which have been handed over and projects completed but not handed over to the client. This may potentially result in the company materially misstatement of the assets and liabilities.
- viii. The company does not have the system of reconciliation of payable or recoverable amongst the projects which could potentially result in material misstatement of assets and liabilities.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, because of the effects/ possible effects of the material weakness/ weaknesses described above on the achievement of the objectives of the control criteria, the company has not maintained adequate and effective internal financial controls over financial reporting as of 31st March 2021, based on 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March

2021, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

**Other Matters**

Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to consolidated financial statements in so far as it relates to 6 subsidiaries and 1 joint venture incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For DHAWAN & CO.**

Chartered Accountants

ICAI Firm Registration No.: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

M. No.: 073740

ICAI UDIN : 21073740AAAACL8517

Place: New Delhi

Date: June 29, 2021

**MANAGEMENT REPLY TO STATUTORY AUDITOR'S QUALIFICATION ON  
CONSOLIDATED FINANCIAL STATEMENT ON THE BASIS OF AUDITOR'S REPORT OF  
HSCC (INDIA) LIMITED AS ON MARCH 31, 2021**

| S No. | Auditors' Remark  | Management Reply   |
|-------|---|--|
| 1.    | Significant transactions of doubtful reliability, amounting to ₹ 2,926.00 lakh were noticed in company's bank account with Indian Overseas Bank, Noida in the financial year 2017-18. The final amount of "Transactions of Doubtful Reliability" has still not been determined, as the report of forensic auditors, appointed by the holding company, has not been received. A provision was made for ₹ 2,926 lakh in financial year 2017-18 out of reserves as at 1st April 2017. The Bank reconciliation statements for the said bank accounts are also pending for reconciliation. In the absence of adequate information about the extent and volume of such transactions, the consequential effect on the standalone Ind-AS financial statements of the company, if any, is presently not ascertainable. | The provision amounting to ₹ 2926.00 lakh was made during the year 2018-19 considering the comments of CAG audit for the year 2017-18. The forensic audit is in progress. Hence the financial identification of amount recoverable/debit/reversal (as required) on account of these transitions will be made after receipt of forensic audit report in HSCC.   |
| 2.    | Information of the cases reported, enquired/ under enquiry by the Chief Vigilance Officer has not been provided to us by the company. The impact of the same on the standalone Ind AS financial statements of the company, if any is presently not ascertainable.   | The details of court cases and arbitration cases as on 31st March 2021 have already been provided. The cases related to matter of vigilance pertains to disciplinary matter and hence impact of the same cannot be ascertained.  |
| 3.    | The company has not provided us information regarding the projects which have been completed and handed over to Ministries/ Clients and the projects which have been completed but not handed over to the clients and the status of financial closure in books of accounts for such projects. The consequential impact, if any, arising out of such projects on the financial statements, could not be presently ascertained. Audit report on the standalone Ind AS financial statements for the previous year ended 31 March 2020 was also qualified in respect of this matter.  | Efforts have been made during the year and one project of NIB, Noida has been financially closed. The reconciliation of financial closure of other projects is also in progress. All the clients are Central government, state government, autonomous bodies and other PSUs. Full efforts will be made for financial closure of physically completed and handed over projects in consultation with client. |

| S No. | Auditors' Remark  | Management Reply  |
|-------|---|---|
| 4.    | The company does not have an effective system of obtaining balance confirmation and performing reconciliation of balances in respect of trade receivable, claims recoverable from/ payable, trade payable, retention money, client deposit funds, EMD, Security Deposits (Receivable and Payable), balances of ministries, clients and claims payable. Due to non availability of confirmation and reconciliations of the aforementioned account balances, we are unable to quantify the impact of the adjustments, if any arising from reconciliation and settlement of account balances on the financial statements of the company. Audit report on the standalone Ind AS financial statements of the company for the previous year ended 31 March 2020 was also qualified in respect of this matter. | <p>The company has a system of obtaining the balance confirmation and during the year letters have been sent to the clients on quarterly basis for balance confirmation. However, due to global pandemic of COVID-19, since 'March 2020 the confirmation certificates are not reverted by the client.</p> <p>The efforts have been made for the creditors also and some balance confirmation certificates have been sent to Statutory Auditors directly.</p> <p>The company is executing the projects of Central Government, State Government, and other PSU's. The confirmation of balance from client is being done as per establish accounting practice. The full efforts will be made to the collect the confirmation certificates in upcoming years.</p> |
| 5.    | There are unreconciled balances of inter projects of ₹ 85.15 lakh (Previous year: ₹ 228.14 lakh) for receivables and ₹ 244.22 lakh (Previous year: ₹521.74 lakh) for payables. The consequential impact. if any arising out of such non reconciliation could not be presently ascertained. Audit Report on the standalone Ind AS financial statements of the company for the previous year ended 31 March, 2020 was also qualified in this matter   | The enter project receivables payable/ledgers are in regular reconciliation process and is being done by the company, which has resulted in reduction of balances from previous year. Some are the balances prior to 2018-19 are old and for which forensic audit is in progress.   |

Place: New Delhi

Date: June 29, 2021

Sd/-

**B.K. SOKHEY**

[Director (Finance) & Chief Financial Officer]

(DIN : 06955670)

## Consolidated Balance Sheet as at March 31, 2021

(₹ in lakh)

|            | Particulars  | Note No. | As at March<br>31, 2021 | As at March<br>31, 2020 |
|------------|--|----------|-------------------------|-------------------------|
| <b>I.</b>  | <b>ASSETS</b>                                      |          |                         |                         |
| <b>1</b>   | <b>Non-Current Assets</b>                          |          |                         |                         |
| (a)        | Property, Plant and Equipment                      | 2        | 15,781.57               | 16,346.41               |
| (b)        | Capital Work in Progress                           | 3        | 1,582.96                | 16.77                   |
| (c)        | Investment Property                                | 4        | 158.78                  | 161.48                  |
| (d)        | Other Intangible Assets                            | 5        | 0.15                    | 0.93                    |
| (e)        | Intangible assets under development                | 6        | 13.16                   | 13.16                   |
| (f)        | Investments Accounted for using Equity Method      | 7        | 1,806.10                | 1,839.94                |
| (g)        | Financial Assets                                   |          |                         |                         |
| (i)        | Investments  | 8        | 0.02                    | 0.02                    |
| (ii)       | Other Financial Assets                             | 9        | 1,45,014.80             | 13,8977.67              |
| (h)        | Deferred Tax Asset (Net)                           | 10       | 37,355.30               | 38,059.52               |
| (i)        | Non Current Tax Assets (Net)                       | 11       | 73.25                   | 2,871.13                |
| (j)        | Other Non Current Assets                           | 12       | 1,376.45                | 5,863.08                |
|            |  |          | <b>2,03,162.54</b>      | <b>2,04,150.11</b>      |
| <b>2</b>   | <b>Current Assets</b>                              |          |                         |                         |
| (a)        | Inventories  | 13       | 1,69,371.31             | 176,753.83              |
| (b)        | Financial Assets                                   |          |                         |                         |
| (i)        | Investment   | 14       | 154.21                  | 1,000.00                |
| (ii)       | Trade Receivables                                  | 15       | 2,07,108.28             | 185,557.41              |
| (iii)      | Cash and Cash Equivalents                          | 16       | 2,51,669.82             | 194,881.18              |
| (iv)       | Other Bank Balances                                | 17       | 3,18,644.64             | 325,757.81              |
| (v)        | Other Financial Assets                             | 18       | 45,651.25               | 43,907.83               |
| (c)        | Current Tax Assets (Net)                           | 19       | 17,225.17               | 13,295.59               |
| (d)        | Other Current Assets                               | 20       | 1,02,184.09             | 1,04,200.70             |
|            |  |          | <b>11,12,008.77</b>     | <b>10,45,354.35</b>     |
| (e)        | Asset Held for Sale                                | 21       | 1,246.52                | 1,222.87                |
|            |  |          | <b>11,13,255.29</b>     | <b>10,46,577.22</b>     |
|            | <b>TOTAL ASSETS</b>                                |          | <b>13,16,417.83</b>     | <b>12,50,727.33</b>     |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>                      |          |                         |                         |
| <b>1</b>   | <b>Equity</b>                                      |          |                         |                         |
| (a)        | Equity Share capital                               | 22       | 18,000.00               | 18,000.00               |
| (b)        | Other Equity                                       |          | 1,45,718.93             | 127,020.57              |
|            | <b>Equity attributable to Owners of the Parent</b> |          | <b>1,63,718.93</b>      | <b>145,020.57</b>       |
|            | Non Controlling Interest                           |          | 16,012.31               | 15,569.36               |
|            | <b>Total Equity</b>                                |          | <b>1,79,731.24</b>      | <b>160,589.93</b>       |
| <b>2</b>   | <b>Liabilities</b>                                 |          |                         |                         |
|            | <b>Non-Current Liabilities</b>                     |          |                         |                         |
| (a)        | Financial Liabilities                              |          |                         |                         |
| (i)        | Other Financial Liabilities                        | 23       | 19,746.53               | 20,804.33               |
| (b)        | Provisions   | 24       | 11,834.45               | 10,827.54               |

| Particulars                           |   | Note No.  | As at March<br>31, 2021 | As at March<br>31, 2020 |
|---------------------------------------|---|-----------|-------------------------|-------------------------|
| (c)                                   | Other Con-Current Liabilities   | <b>25</b> | <b>11,659.92</b>        | 11,408.64               |
|                                       |   |           | 43,240.90               | 43,040.51               |
|                                       | <b>Current Liabilities</b>  |           |                         |                         |
| (a)                                   | Financial Liabilities   |           |                         |                         |
|                                       | (i) Trade Payables  |           |                         |                         |
|                                       | - Total outstanding dues of Small Enterprises and Micro enterprises                       | <b>26</b> | <b>120.65</b>           | 492.48                  |
|                                       | - Total outstanding dues of creditors other than small enterprises and micro enterprises. |           | <b>3,26,426.79</b>      | 354,727.47              |
|                                       | (ii) Other Financial Liabilities  | <b>27</b> | <b>1,28,243.11</b>      | 1,36,140.03             |
| (b)                                   | Other Current Liabilities   | <b>28</b> | <b>6,23,091.46</b>      | 538,849.71              |
| (c)                                   | Provisions  | <b>29</b> | <b>15,563.68</b>        | 16,887.20               |
|                                       |   |           | <b>10,93,445.69</b>     | 10,47,096.89            |
|                                       |   |           |                         | -                       |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> |   |           | <b>13,16,417.83</b>     | 12,50,727.33            |

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 58

For and on behalf of the Board of Directors

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance) & CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
**For DHAWAN & CO.**  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-  
**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

**Place :** New Delhi  
**Date :** June 29, 2021

## Consolidated Statement of Profit and Loss for the year ended on March 31, 2021

(₹ in lakh)

| Particulars |   | Note No.  | For the year ended<br>on March 31, 2021 | For the year ended<br>March 31, 2020 |
|-------------|---|-----------|---|--------------------------------------|
| I.          | <b>Revenue From Operations</b>  |           |   |                                      |
|             | Value of Services   | 30        | 6,73,993.72                             | 802,750.41                           |
|             | Other Operating Revenues  | 31        | 9,212.78                                | 5,956.96                             |
| II.         | Other Income  | 32        | 18,029.19                               | 20,592.60                            |
| III.        | <b>Total Income (I + II)</b>  |           | <b>7,01,235.69</b>                      | <b>829,299.97</b>                    |
| IV.         | <b>Expenses:</b>  |           |   |                                      |
|             | Land Purchased & Materials Consumed   | 33        | 132.57                                  | 820.87                               |
|             | Change in Inventories of Real Estate Projects                                     | 34        | 3,679.81                                | 4,635.52                             |
|             | Work & Consultancy Expenses   | 35        | 6,22,719.76                             | 741,344.95                           |
|             | Employee Benefits Expense   | 36        | 30,879.65                               | 33,029.96                            |
|             | Finance Costs   | 37        | 662.24                                  | 668.61                               |
|             | Depreciation and Amortisation Expense   | 2 & 3 & 4 | 556.74                                  | 650.27                               |
|             | Other Expenses  | 38        | 11,336.73                               | 17,932.48                            |
|             | Write Offs  | 39        | 2,537.60                                | 590.39                               |
|             | <b>Total Expenses (IV)</b>  |           | <b>6,72,505.10</b>                      | <b>799,673.05</b>                    |
| V.          | <b>Profit before Exceptional Items and Tax (III-IV)</b>                           |           | <b>28,730.59</b>                        | <b>29,626.92</b>                     |
| VI.         | (i) Exceptional Items   |           | -                                       | -                                    |
|             | (ii) Share of Profit/ (Loss) in Joint Ventures (Net of Tax )                      |           | (19.84)                                 | 85.78                                |
| VII.        | <b>Profit before Tax (V + VI)</b>   |           | <b>28,710.75</b>                        | <b>29,712.70</b>                     |
| VIII        | Tax Expense:  |           |   |                                      |
|             | (1) Current Tax   |           | 6,382.76                                | 7,722.99                             |
|             | (2) Deferred Tax  | 40        | 731.89                                  | 12,654.75                            |
|             | (3) Taxation in respect of Earlier Years  |           | (2,028.35)                              | (651.80)                             |
| IX          | <b>Profit / Loss for the Period from Continuing Operations (VII-VIII)</b>         |           | <b>23,624.45</b>                        | <b>9,986.76</b>                      |
| X           | Profit / (Loss) for the Discontinued Operations                                   |           | -                                       | -                                    |
| XI          | Tax expenses of Discontinued Operations   |           | -                                       | -                                    |
| XII         | <b>Profit / (Loss) for the Discontinued Operations (after tax) (X-XI)</b>         |           | -                                       | -                                    |
| XIII        | <b>Profit / (Loss) for the Period (IX-XII)</b>                                    |           | <b>23,624.45</b>                        | <b>9,986.76</b>                      |
| XIV         | <b>Other Comprehensive Income</b>   |           |   |                                      |
|             | A (i) Items that will not be reclassified into Profit or Loss                     |           | (1,320.62)                              | 408.59                               |
|             | (ii) Income tax relating to items that will not be reclassified to profit or loss |           | 332.37                                  | (102.83)                             |
|             | B (i) Items that will be reclassified into Profit or Loss                         | 41        | (56.91)                                 | 209.72                               |
|             | (ii) Income tax relating to items that will be reclassified to profit or loss     |           | 18.07                                   | (70.61)                              |
| XV          | <b>Total Comprehensive Income for the period (XIII+XIV)</b>                       |           | <b>22,597.36</b>                        | <b>10,431.63</b>                     |
|             | <b>Profit/(Loss) attributable to</b>  |           |   |                                      |
|             | Owners of the Parent  |           | 22,180.04                               | 7,823.35                             |
|             | Non Controlling Interests   |           | 1,444.41                                | 2,163.41                             |
|             | <b>Other Comprehensive Income attributable to</b>                                 |           |   |                                      |
|             | Owners of the Parent  |           | (1,012.04)                              | 506.12                               |

| Particulars |   | Note No. | For the year ended on March 31, 2021 | For the year ended March 31, 2020 |
|-------------|---|----------|--------------------------------------|-----------------------------------|
|             | Non Controlling Interests                                 |          | (15.05)                              | (61.25)                           |
|             | <b>Total Comprehensive Income attributable to</b>         |          |                                      |                                   |
|             | Owners of the Parent                                      |          | 21,168.00                            | 8,329.47                          |
|             | Non Controlling Interests                                 |          | 1,429.36                             | 2,102.16                          |
| XVI         | Earnings per Share (Face value of ₹ 1/- per Equity Share) |          |                                      |                                   |
|             | (1) Basic (in ₹)  | 42       | 1.23                                 | 0.43                              |
|             | (2) Diluted (in ₹)  |          | 1.23                                 | 0.43                              |

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 58

For and on behalf of the Board of Directors

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance) & CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
**For DHAWAN & CO.**  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-  
**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

**Place :** New Delhi  
**Date :** June 29, 2021



## Consolidated Statement of Changes in Equity as at March 31, 2021

| A) Equity Share Capital   |  | (₹ in lakh)                                     |  |                  |                                  |                                     |  |                    |
|---|--|---|--|------------------|----------------------------------|-------------------------------------|--|--------------------|
| Particulars   | "Balance at the beginning of the Reporting Period" | Changes in Equity Share Capital during the year | Balance at the end of Reporting Period |                  |                                  |                                     |  |                    |
| Balance as at March 31, 2020  | 18,000.00  | -   | 18,000.00                              |                  |                                  |                                     |  |                    |
| Balance as at March 31, 2021  | 18,000.00  | -   | 18,000.00                              |                  |                                  |                                     |  |                    |
| B) Other Capital  |  | (₹ in lakh)                                     |  |                  |                                  |                                     |  |                    |
| Particulars   | Reserves and Surplus                               |   |  |                  | Other Comprehensive Income (OCI) | Other Equity attributable to Parent | Equity attributable to Non-controlling Interests (NCI) | Total Other Equity |
|   | Capital Reserve                                    | Capital Redemption Reserve                      | General Reserve                        | Retained Earning |                                  |                                     |  |                    |
| <b>Balance as at April 1, 2019</b>                                      | 10,259.89  | 60.00   | 41,851.53                              | 83,044.77        | (2,277.48)                       | (97.59)                             | 1,32,841.12  | 1,47,672.89        |
| Profit for the period   | -  | -   | -                                      | 7,823.35         | -                                | -                                   | 7,823.35   | 9,986.76           |
| Transitional Adjustment of Ind AS 12                                    | -  | -   | -                                      | (276.10)         | -                                | -                                   | (276.10)   | (276.10)           |
| Other Comprehensive Income (OCI)  | -  | -   | -                                      | -                | 495.36                           | 204.06                              | 699.42   | 618.31             |
| Income Tax on Items of OCI  | -  | -   | -                                      | -                | (124.67)                         | (68.63)                             | (193.30)   | (173.44)           |
| Dividends paid including Interim Dividend and Dividend Distribution Tax | -  | -   | -                                      | (13,873.92)      | -                                | -                                   | (13,873.92)  | (15,238.49)        |
| <b>Balance as at March 31, 2020</b>                                     | <b>10,259.89</b>                                   | <b>60.00</b>                                    | <b>41,851.53</b>                       | <b>76,718.10</b> | <b>(1,906.79)</b>                | <b>37.84</b>                        | <b>1,27,020.57</b>                                     | <b>1,42,589.94</b> |
| Profit for the period   | -  | -   | -                                      | 22,180.04        | -                                | -                                   | 22,180.04  | 23,624.45          |
| Other Comprehensive Income (OCI)  | -  | -   | -                                      | -                | (1,298.93)                       | (56.99)                             | (1,355.92)   | (1,377.53)         |
| Income Tax on Items of OCI  | -  | -   | -                                      | -                | 326.91                           | 16.97                               | 343.88   | 350.44             |
| Dividend paid   | -  | -   | -                                      | (2,430.00)       | -                                | -                                   | (2,430.00)   | (3,349.24)         |
| Impairment adjustment*  | -  | -   | -                                      | (237.83)         | -                                | -                                   | (237.83)   | (237.83)           |

| Particulars  | Reserves and Surplus |                            |                  |                  | Other Comprehensive Income (OCI)       |  | Other Equity attributable to Parent | Equity attributable to Non-controlling Interests (NCI) | Total Other Equity |
|--|----------------------|----------------------------|------------------|------------------|--|--|-------------------------------------|--|--------------------|
|  | Capital Reserve      | Capital Redemption Reserve | General Reserve  | Retained Earning | Remeasurement of Defined Benefit Plans | Exchange difference on translation of Foreign Operations |                                     |  |                    |
|  |                      |                            |                  |                  |  |  |                                     |  |                    |
| The recognition of reserve of subsidiary due to loss of control* | -                    | -                          | -                | 198.18           | -                                      | -  | 198.18                              | (67.17)  | 131.01             |
| <b>Balance as at March 31, 2021</b>                              | <b>10,259.89</b>     | <b>60.00</b>               | <b>41,851.53</b> | <b>96,428.50</b> | <b>(2,878.81)</b>                      | <b>(2.18)</b>  | <b>1,45,718.93</b>                  | <b>16,012.31</b>                                       | <b>1,61,731.25</b> |

Summary of Significant Accounting Policies and Other Explanatory Information Note 1 to 58

\* Refer Note No 14B and 55

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance) & CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

For and on behalf of the Board of Directors

As per our Report of even date attached

**For DHAWAN & CO.**

Chartered Accountants

ICAI Firm Reg. No: 002864N

Sd/-

**SUNIL GOGIA**

(Partner)

Membership No. 073740

Place : New Delhi

Date : June 29, 2021

## Consolidated Statement of Cash Flows for the year ended on March 31, 2021

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Group are segregated.

(₹ in lakh)

|           | Particulars  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|-----------|--|---|---|
| <b>A.</b> | <b>Cash flows from operating activities</b>                                  |   |   |
|           | <b>Net profit before tax and Exceptional items</b>                           | <b>28,730.59</b>                        | 29,626.92                               |
|           | Adjustment for:  |   |   |
|           | Exchange difference on translation of Foreign Operations                     | (56.91)                                 | 209.72                                  |
|           | Depreciation   | 556.74                                  | 650.27                                  |
|           | (Profit) / Loss on Sale of Assets (Net)                                      | (214.13)                                | (711.79)                                |
|           | Provisions for Research & Development  | (1,074.45)                              | 384.11                                  |
|           | Provision for Loans and Advances (Net)                                       | 239.38                                  | 83.95                                   |
|           | Provision for Impairment of Trade Receivables (Net)                          | 1,742.26                                | 6,474.32                                |
|           | Provision for Impairment of Inventories                                      | 1,539.85                                | 1,825.75                                |
|           | Provision for Impairment of Work-in-Progress                                 | 962.19                                  |   |
|           | Provision for Impairment of Other Financial Assets                           | 373.39                                  | 2,018.20                                |
|           | Provision for Impairment on Assets Held for Sale                             | 13.08                                   |   |
|           | Impairment on Assets   | 0.84                                    |   |
|           | Provision Others   | 5.00                                    |   |
|           | Provision for Warranty Charges (Net)   | (97.00)                                 | (852.47)                                |
|           | Provision for Onerous Contracts  | (22.63)                                 | (0.01)                                  |
|           | Provision for CSR Activity   | 1,467.86                                | 113.71                                  |
|           | Finance Cost   | 662.24                                  | 668.61                                  |
|           | Interest Received  | (17,156.85)                             | (18,756.25)                             |
|           | Rent   | (628.98)                                | (791.72)                                |
|           | Dividend Received  | (6.08)                                  | (23.26)                                 |
|           | Provisions for Employee Benefits (Net of Payments)                           | (1,088.14)                              | (43.95)                                 |
|           | Expenditure on CSR Activities  | (1,055.05)                              |   |
|           | Expenditure on Research & Development Activities                             | (39.37)                                 | (66.52)                                 |
|           | <b>Operating Profit before Working Capital Changes</b>                       | <b>14,853.83</b>                        | 20,809.59                               |
|           | Adjustment for:  |   |   |
|           | Decrease /(Increase) in Other Financial Assets (Non Current)                 | 969.11                                  | (11,032.64)                             |
|           | Decrease /(Increase) in Other Non Current Assets                             | 4,486.63                                | (4,380.68)                              |
|           | Decrease/(Increase) in Non Current Tax Assets                                | 2,797.88                                | 3,411.82                                |
|           | Decrease/(Increase) in Inventories   | (120.47)                                | 680.59                                  |
|           | Decrease/(Increase) in Work-in-Progress                                      | 3,869.85                                | 4,069.36                                |
|           | Decrease/(Increase) in Trade receivables                                     | (27,053.19)                             | 46,172.10                               |
|           | Decrease/(Increase) in Other Financial Assets                                | (2,153.91)                              | 9,322.35                                |
|           | Decrease/(Increase) in Current Tax Assets                                    | (2,058.66)                              | (3,872.06)                              |
|           | Decrease/(Increase) in Other Current Assets                                  | 1,777.23                                | (1,113.63)                              |
|           | (Decrease)/ Increase in Provisions-Non Current                               | 2.30                                    | 0.70                                    |
|           | (Decrease) /Increase in Other Financial Liabilities (Non Current)            | (1,057.80)                              | 18,981.99                               |
|           | (Decrease) /Increase in Other non-current liabilities                        | 909.07                                  | 1,206.83                                |
|           | (Decrease) /Increase in Trade payables                                       | (28,672.51)                             | (68,182.58)                             |
|           | (Decrease) /Increase in Other Financial Liabilities (Current)                | (7,851.03)                              | (23,343.45)                             |
|           | (Decrease)/ Increase in Provisions-Current                                   | 246.62                                  | (362.33)                                |
|           | (Decrease) /Increase in Other Current Liabilities                            | 83,579.51                               | 22,201.61                               |
|           | (Decrease) /Increase in Liabilities Associated with the Assets held for Sale |   | (385.25)                                |
|           | Derecognition of reserves of Subsidiary due to Loss of Control               | 131.01                                  |   |
|           | <b>Cash generated from Operations</b>  | <b>44,655.48</b>                        | 14,184.32                               |
|           | Exceptional Items  | -                                       | -                                       |
|           | Direct Taxes Paid  | (1,597.37)                              | (2,900.98)                              |
|           | <b>Net Cash from Operating Activities (A)</b>                                | <b>43,058.11</b>                        | 11,283.34                               |

(₹ in lakh)

| Particulars |  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|-------------|--|---|---|
| <b>B.</b>   | <b>Cash Flows from Investing Activities:</b>                                       |   |   |
|             | Distribution received from Subsidiaries and Joint Ventures                         | 14.00                                   | 63.00                                   |
|             | Receipt from Subsidiaries and Joint Ventures                                       |   | 1,113.36                                |
|             | Payment for Subsidiaries and Joint Ventures  | (392.04)                                | (186.58)                                |
|             | Purchase of Property, Plant and Equipment & Other Intangible Assets                | (512.13)                                | (884.92)                                |
|             | Sale of Property, Plant and Equipment  | 303.61                                  | 2,590.17                                |
|             | Assets Held for Sale   | (23.65)                                 | (379.70)                                |
|             | Flexi Bank Deposit having Original Maturity more than 3 months and upto 12 Months. | 3,366.57                                | (101,366.30)                            |
|             | Fixed Bank Deposit having Original Maturity more than 3 months and upto 12 Months  | 3,746.60                                | 94,135.64                               |
|             | Flexi Bank Deposit having Original Maturity more than 12 months.                   | 37.10                                   | (36.70)                                 |
|             | Fixed Bank Deposit having Original Maturity more than 12 months.                   | (7,006.24)                              | (5,205.25)                              |
|             | Investment in Liquid Fund Cash Plan  | 1,000.00                                | 501.47                                  |
|             | Interest Received (Net of Tax Deducted at Source)                                  | 16,649.72                               | 17,690.22                               |
|             | Rent Received (Net of Tax Deducted at Source)                                      | 593.83                                  | 756.42                                  |
|             | Dividend Received  | 6.08                                    | 23.26                                   |
|             | <b>Net Cash from Investing Activities: (B)</b>                                     | <b>17,783.45</b>                        | <b>8,814.09</b>                         |
| <b>C.</b>   | <b>Cash Flows from Financing Activities:</b>                                       |   |   |
|             | Dividend on Equity Shares paid (Including Dividend Distribution Tax)               | (3,349.24)                              | (15,238.49)                             |
|             | Finance Cost   | (657.79)                                | (662.30)                                |
|             | Payments for the interest portion of the lease liability                           | (4.45)                                  | (6.31)                                  |
|             | Payments for the principal portion of the lease liability                          | (41.44)                                 | (64.19)                                 |
|             | <b>Net Cash from Financing Activities (C)</b>                                      | <b>(4,052.92)</b>                       | <b>(15,971.29)</b>                      |
|             | <b>Net Increase in Cash and Cash Equivalent (A) + (B) + (C)</b>                    | <b>56,788.64</b>                        | <b>4,126.14</b>                         |
|             | <b>Cash and Cash Equivalents - Opening</b>   | <b>1,94,881.18</b>                      | <b>190,755.04</b>                       |
|             | <b>Cash and Cash Equivalents - Closing</b>   | <b>2,51,669.82</b>                      | <b>194,881.18</b>                       |
| <b>i)</b>   | <b>Cash and Cash Equivalents Includes:</b>   |   |   |
|             | a) Cash in Hand  | -                                       | -                                       |
|             | b) Remittances in Transit / Cheques in Hand  | 163.37                                  | 2,466.16                                |
|             | c) Balances / Flexi Deposits/Fixed Deposit Call Deposits with Banks                | 2,51,450.42                             | 1,92,365.13                             |
|             | d) Balances with Bank in Unclaimed Dividend Account                                | 56.03                                   | 49.89                                   |
|             | <b>Total</b>   | <b>2,51,669.82</b>                      | <b>1,94,881.18</b>                      |

Note: Figures in brackets indicate cash outgo

For and on behalf of the Board of Directors

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance) & CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
**For DHAWAN & CO.**  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-  
**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

Place : New Delhi

Date : June 29, 2021

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

## NOTE —1

## CONSOLIDATED ACCOUNTING POLICIES

## 1.1 NATURE OF PRINCIPAL ACTIVITIES

NBCC (India) Limited and (referred to as “NBCC” or “the Company” or “Parent Company”) is a Government of India Navratna Enterprise under the Ministry of Housing and Urban Affairs. The Company operates into three major segments namely Project Management Consultancy, Engineering Procurement & Construction and Real Estate.

## 1.2 GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Parent Company is incorporated and domiciled in India with registered office at New Delhi. The Parent Company are headquartered in New Delhi, India. The shares of the Company are listed on the National Stock Exchange and the Bombay Stock Exchange.

The Consolidated Financial Statements of the Group have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Group has uniformly applied the Accounting Policies during the period presented.

Unless otherwise stated, all amounts are stated in Lakh of Rupees.

The Consolidated Financial Statements for the year ended 31st March 2021 were authorized and approved for issue by the Board of Directors on 29th June, 2021.

## 1.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Consolidated Financial Statements have been prepared using the Accounting Policies and measurement basis summarized below.

## 1.4 OVERALL CONSIDERATIONS

The Consolidated Financial Statements have been prepared using the significant Accounting Policies and measurement bases that are in effect at March 31, 2021 as summarised below.

## 1.4.1. BASIS OF CONSOLIDATION

**Basis of Accounting:**

- i. The Financial Statements of the Subsidiary Companies and joint ventures in the consideration are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- ii. The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) 110– ‘Consolidated Financial Statements’ and Indian Accounting Standard (Ind AS) 111 – ‘Financial Reporting of interest in joint ventures’ specified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**Principles of Consolidation:**

The Consolidated Financial Statements have been prepared as per the following principles:

- i. The Group consolidates entities which are controlled by it. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. The operations of subsidiaries acquired, or sold or ceases loss of control, during the year are consolidated from the effective date acquisition of control till the control ceases.
- ii. The Financial Statements of the Company and its Subsidiary Companies are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses.

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

- iii. Profit and Loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the Non-Controlling Interests (NCI) based on their respective ownership interests.

Non-controlling interests, presented as part of equity, represent the portion of a Subsidiary's Profit and Loss and net assets that is not held by the Group.

- iv. The Consolidated Financial Statements also include the interest of the Company in joint ventures, which has been accounted for using the equity method where the carrying amount of the investment in joint ventures is increased or decreased to recognize the Group's share of the Profit and Loss and other comprehensive income of the joint venture, adjusted where necessary to ensure consistency with the Accounting Policies of the Group. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

In respect of joint operations, Group recognises its share of assets, liabilities, revenue and expenses of the joint operations in the Financial Statements under appropriate headings.

Unrealized gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities.

When a foreign operation is disposed off in its entirety or partially such that control or, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operations recognized in OCI is reclassified to statement of profit & loss as part of the gain or loss on disposal.

- v. The Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Separate Financial Statements except as otherwise stated in the notes to the accounts.
- vi. **Business Combination**

Acquisitions of businesses (except for Business Combinations under Common Control) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that: –

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively;
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 'Noncurrent Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

**Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021**

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained by the Group during the 'measurement period' about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period recognising additional assets or liabilities (if any) to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

**Business Combination under Common control**

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling of- interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identities of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is considered as capital reserve/ cost of control and is presented separately.

**Non-controlling interests**

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders.

Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

#### **Cost of Control on consolidation**

Cost of control arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business.

### **1.4.2. FOREIGN CURRENCY TRANSLATION**

#### **Functional and Presentation Currency**

The Consolidated Financial Statements are presented in Indian Rupee ('INR'), which is the functional currency of the Parent Company.

#### **Foreign Currency Transactions and Balances**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Group at rates different from those at which they were initially recorded during the year, or reported in previous Financial Statements, are recognized as income or as expenses in the year in which they arise.

#### **Foreign Operations**

For the foreign operations of the Group, all assets and liabilities are translated into INR using the exchange rate prevailing at the reporting date and their Statement of Profit and Loss are translated at average rates prevailing over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

### **1.5 REVENUE RECOGNITION**

The Company derives revenues primarily from Constructions contracts and Real Estate Projects. Construction contracts comprise of geotechnical investigations, topographical surveys, resource-planning, preparation of DPR, obtaining statutory approvals, construction of the building, ratification of defects during defect liability period etc. ("together called as construction related services"). In case of Redevelopment construction contracts, sale of the redevelopment properties is also entrusted onto the company in addition to the construction related services. In Real Estate projects, the contract with customer comprises of delivery of residential/ commercial space, parking slots, after sale maintenance services etc.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

#### **a) Project Management Consultancy**

In case of PMC contracts, the Company undertakes to perform tasks such as geotechnical investigations, topographical surveys, resource-planning, preparing detailed engineering designs and supervising execution of works etc. For contracts where there is one performance obligation, revenue is recognized over time based on the input method of measuring progress as in these contracts, the customer receives and uses the benefits simultaneously.

Some redevelopment construction contracts include additional deliverables, such as marketing and publicity services or the services relating to appointment of real estate consultant, e-auction etc. of commercial and residential areas. These services are separately sold in the market with no dependence on the construction related services and therefore are accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. For marketing and publicity services, the performance obligation is to facilitate and manage the sale process on behalf of client. The performance obligation is satisfied at the time of booking of sale of unit on behalf of client. The revenue is recognized at a point in time when the performance obligation is completed.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.



**Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021****b) Real Estate Development**

In real estate development contracts, there are multiple promises such as (a) Sale of property, (b) Sale of additional parking slots and (c) Maintenance services etc. These individual items are sold separately in market and add value to the customer on an individual basis. Therefore, these services are considered as separate performance obligations.

The revenue for these performance obligations is recognized based on the stand-alone selling prices.

Revenue for 'sale of property' and 'sale of additional parking slots' is recognized when control over the property has been transferred to the customer. The properties have generally no alternative use for the Company due to contractual restrictions. An enforceable right to payment does not arise until the transfer of control of property to customer. Revenue is recognized at a point in time when the possession is handed over to the customer including deemed possession.

For maintenance services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

**c) Engineering, Procurement and Construction (EPC)**

Under EPC Contracts, the Company is required to construct, manufacture or develop an asset on behalf of a customer, which is considered as a single performance obligation as the bundle of goods or services represent the combined output for which the customer has contracted with the Company i.e. construction of the project/asset.

For EPC contracts, transaction price is the price which is contractually agreed with the customer for provision of services. The revenue is recognized over time based on the input method of measuring progress because in such contracts, the customer receives and uses the benefits as the Company performs its obligation.

**Revenue includes:**

1. Work done for which only letters of intent have been received, however, formal contracts/ agreements are in the process of execution.
2. Work executed and measured by the Company pending certification by the client.
3. Work executed but not measured/ partly executed is accounted for at engineering estimate.
4. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.

**1.6 OTHER INCOME****Interest, Dividend and Rental income**

Interest income is reported on an accrual basis using the Effective Interest Rate method. Interest income on mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate.

Interest income on bank deposits held on behalf of client is netted off from interest payable to client on such deposits.

Dividend income is recognised at the time the right to receipt is established.

Rental income is recognised on a straight-line basis over the period of lease terms.

Other items of income are recognised in the statement of profit and loss when control of respective goods or service has been transferred to customer.

**1.7 INTANGIBLE ASSETS****Recognition**

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

### Subsequent Measurement (Amortization)

Amortization on Intangible Assets is charged on the straight line method on the basis of rates arrived at with reference to the useful life of the assets evaluated and approved by the Management.

| Asset category                 | Estimated useful life (in years) |
|--------------------------------|----------------------------------|
| <b>Other Intangible Assets</b> |                                  |
| Computer Software              | 3 Years                          |

### De-recognition

An item of Intangible Asset or any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised. as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised.

## 1.8 PROPERTY, PLANT AND EQUIPMENT

### Recognition

Properties Plant and Equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

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

### Subsequent measurement (Depreciation)

Depreciation on Property, Plant and Equipment is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

| Asset category   | Estimated useful life (in years) |
|--|----------------------------------|
| <b>Buildings</b>   |                                  |
| Building(other than factory buildings) RCC Frame Structure | 60 years                         |
| Building other than RCC Frame Structure                    | 30 years                         |
| Other (including temporary structure, etc.)                | 03 years                         |
| <b>Plant and Machinery used in civil construction</b>      |                                  |
| Earth moving equipments                                    | 09 years                         |
| Others   | 12 years                         |
| <b>Furniture and fittings</b>                              | 10 years                         |
| <b>Motor Vehicles</b>                                      | 08 years                         |
| <b>Office equipment</b>                                    | 05 years                         |
| <b>Computers and data processing units</b>                 |                                  |
| Servers and networks                                       | 06 years                         |
| End user devices viz. desktops, laptops, etc.              | 03 years                         |

Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

Premium paid on land where lease agreements have been executed for specified period are written off over the period of lease proportionately.

Property, Plant and Equipment individually costing upto INR 10,000 are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**De-recognition**

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss Account when the asset is derecognised

**1.9 INVESTMENT PROPERTY**

**Recognition:**

Investment Properties are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

**Subsequent Measurement (Depreciation)**

Depreciation on Investment Property is charged on straight line method either on the basis of rates arrived at with reference to the useful life of the assets evaluated by the Committee consisting of Technical experts and approved by the Management or rates arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The following useful lives are applied:

| Asset category                              | Estimated useful life (in years) |
|---|----------------------------------|
| <b>Buildings</b>                            |                                  |
| Building(other than factory buildings)      | 60 Years                         |
| Other (including temporary structure, etc.) | 03 years                         |

The residual values, useful lives and methods of depreciation of Investment Properties are reviewed at each financial year end and adjusted prospectively, if appropriate.

**De-Recognition**

An item of Investment Property and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognised.

**1.10 LEASES**

**Group as a Lessee**

At inception of a contract, the group assess whether the contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Recognition:**

1. Right of Use (ROU) Asset:

At the commencement date, the Group recognise a right-of-use asset and a lease liability, except

- a. For lease with a term of twelve months or less (Short term leases) and,

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

- b. Leases for which the underlying asset is of low value

### 2. Lease Liability

At the commencement date, the group measures the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments are discounted using the effective interest rate.

#### Subsequent measurement:

##### 1. Right of Use (ROU) Asset

After the commencement date, the group measure the right-of-use asset at cost less any accumulated depreciation and is subject to impairment losses.

##### 2. Lease Liability

After the commencement date, the group measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications.

After the commencement date, the interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease.

The residual values, useful lives and methods of depreciation of right of use are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### De-Recognition

A right of use asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the right of use asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the right of use asset is derecognised.

#### Group as a Lessor

##### Finance Lease

The group recognises assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The group further recognises finance income over the lease term, based on straight-line basis reflecting a constant periodic rate of return on the net investment in the lease.

##### Operating lease

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized.

Rental income is recognised on straight-line basis over the lease term except where scheduled increase in rent compensates the Group with expected inflationary costs.

### 1.11 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal / external indicators. An impairment loss is recognised in the Statement of Profit and Loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

## FINANCIAL INSTRUMENTS

### Financial Assets

#### Initial recognition and measurement

Financial Assets and Financial Liabilities are recognised when the Group becomes a party to the contractual provisions of the Financial Instrument and are measured initially at fair value adjusted for transaction costs.

#### Subsequent Measurement

i. **Debt instruments at amortised cost**– A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through Profit and Loss based on Group's business model.

ii. **Equity investments** – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value through Profit and Loss (FVTPL). For all other equity instruments, the Group decides to classify the same either as at Fair Value through Other Comprehensive Income (FVOCI) or Fair Value through Profit and Loss (FVTPL) on an instrument to instrument basis.

iii. **Mutual funds** – All mutual funds in scope of Ind-AS 109 are measured at fair value through Profit and Loss (FVTPL).

#### De-recognition of Financial Assets

A Financial Asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

### Financial Liabilities

#### Initial recognition and measurement

All Financial Liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the Financial Liabilities is also adjusted. Financial Liabilities are classified as amortised cost.

#### Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at Amortised Cost using the Effective Interest Rate Method.

#### De-recognition of Financial Liabilities

A Financial Liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Other Operating Revenues.

Further when an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.12 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for Financial Assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers the following –

- All contractual terms of the Financial Assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

### Trade Receivables

As a practical expedient the Group has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime expected credit losses.

### Other Financial Assets

For recognition of impairment loss on other Financial Assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

## 1.13 INVENTORIES

Inventories are valued as under:

Land Bank – It consists of asset purchased by the Group that it intends to develop later on into residential / commercial project but on which no construction has commenced. Land is initially recognized at fair value which is generally the cost or net realizable value whichever is less. However, it is discounted to present value when payment terms are deferred for a period of more than one year.

Work in Progress – Work-in-Progress includes construction work in progress and unsold portion of completed Real Estate Projects. Increase / decrease in Work-in-Progress is accounted for as Income or Expenditure for the year, as the case may be. Valuation of Work-in-Progress including unsold portion of reality project is being done on basis of actual cost and overheads incurred which are directly attributable to project, till completion or net realizable value whichever is less.

Direct Materials, Stores and Spare Parts are valued at lower of cost or net realizable value. Cost is determined on Weighted Average Cost Method.

Consumables including Catering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others are valued on the basis of realizable value, based on the engineering estimate.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realizable value of such inventories.

## 1.14 INCOME TAXES

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using balance sheet approach.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

### 1.15 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.16 EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### 1.17 NON CURRENT ASSETS HELD FOR SALE

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. The determination of fair value less costs to sell includes use of management estimates and assumption.

### 1.18 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

#### Defined Contribution Plan

Group's Contribution paid/payable during the year to Provident Fund, EPS 1995 and Group's Pension Scheme is recognised in the Statement of Profit and Loss for the year in which the related services are rendered. The same is paid to a fund administered through separate trusts and by EPFO.

#### Defined Benefit Plan

Group's liability towards gratuity, post-retirement medical benefits and TA on Superannuation are determined by independent actuary, at the year-end using the projected unit credit method. Actuarial gains or losses are recognised in the other comprehensive income. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

#### Other Long-Term Benefits

Group's liability towards leave (earned and sick) and long service awards is determined by independent actuary, at the year-end using the projected unit credit method. Actuarial gains or losses are recognised in the Profit and Loss.

#### Short Term Employee Benefits

Short term benefits comprise of employee costs such as salaries, bonus, PLI, PRP and short-term compensated absences are accrued in the year in which the associated services are rendered by employees of the Group.

## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

### Employee Separation Costs

Ex-gratia to employees who have opted for retirement under the voluntary retirement scheme of the Group is charged to statement of Profit and Loss in the year of acceptance of the option by the management.

### 1.19 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions recognised by the Group include provisions for warranties, Research & Development, Contingencies, Onerous Contracts and Corporate Social Responsibility (CSR). A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent Liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent Assets are disclosed when probable and recognised when realization of income is virtually certain.

### 1.20 ARBITRATION AWARDS

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into accounts at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Govt of India, is accounted for on finalisation of award by the appellate authority. Interest to/ from in these cases are accounted when the payment is probable which is the point when matter is considered settled by management.

### 1.21 LIQUIDATED DAMAGES

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

### 1.22 PRIOR PERIOD EXPENDITURE/INCOME

Expenditures / Incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

### 1.23 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the Financial Statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in the Group's Financial Statements are based upon management's evaluation of relevant facts and circumstances as of date of Financial Statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing Group's Financial Statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

#### Significant Management Judgements

The following are significant management judgements in applying the Accounting Policies of the Group that have the most significant effect on the Financial Statements.



## Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021

**Recognition of Deferred Tax Assets** - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.

**Evaluation of indicators for Impairment of Assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Property, Plant and Equipment** - Management assess the remaining useful lives and residual value of property, Plant and Equipment and believes that the assigned useful lives and residual value are reasonable (see note 4.6).

### Estimation Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

**Revenue Recognition** - where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

**Recoverability of Advances/ Receivables** - The Project heads, Zonal heads and Regional/Strategic Business groups from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors

**Defined Benefit Obligation (DBO)** - Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the DBO amount and the annual defined benefit expenses.

**Contingencies** - Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

**Provisions for Warranties**- Management's estimate of the warranties are based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses.

**Liquidated Damages** -Liquidated Damages receivable are estimated and recorded as per contractual terms; estimate may vary from actuals as levy on contractor.

## 1.24 STANDARDS ISSUED AND ARE EFFECTIVE

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2020 has notified amendments to certain Ind AS. The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

### 1. Amendments to Ind AS 1 and Ind AS 8

#### Definition of Materiality:

The amendments provide a new definition of materiality that states, information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Group.

## 2. Amendments to Ind AS 103:

### Definition of a Business:

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Group, but may impact future periods had the Group enter into any business combinations.

## 3. Amendments to Ind AS 107 and Ind AS 109

### Interest Rate Benchmark Reform:

Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Group as it does not have any interest rate hedge relationships.

## 4. Amendments to Ind AS 116

### Covid-19 Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The Group do not observe any such case during the year hence there is no impact of the amendment.

## 5. Conceptual Framework for Financial Reporting:

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Group.

## 6. Amendments to CSR requirement

The Ministry of Corporate Affairs (MCA) has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 through a notification dated 22 January 2021, these amendments have introduced some significant changes that require better understanding to ensure compliance. The amendments, amongst others, mandatorily require utilisation of the unspent amount earmarked for CSR activities, failing which it would be transferred to a fund specified in Schedule VII of the Companies Act, 2013. Resultantly, the Group will have to make a provision towards unspent CSR spent, if any, at the end of the year, after deducting the provision created for the CSR activity completed, if applicable and as provided.

The amendments also permit a Group which spends an amount in excess of the prescribed CSR amount of 2%, to set-off excess amount against the requirement to spend up to immediately succeeding three financial years subject to the fulfilment of certain conditions. As per the guidance issued by the ICAI, in case the Group, decides to adjust excess amount spent against future obligation, then an asset would have to be recognised to the extent of such excess amount spent.

**Summary of Significant Accounting Policies and Other Explanatory Statements to Consolidated Financial Statements for the year ended March 31, 2021****1.25 STANDARDS ISSUED BUT NOT EFFECTIVE**

1. On March 24, 2021, Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**A. Balance Sheet**

- a. Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
- b. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- c. Specified format for disclosure of shareholding of promoters.
- d. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e. If a Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f. Specific disclosure under regulatory such as compliance with approved schemes of arrangements compliance with number of layers of companies, title deeds of immovable property not held in name of Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**B. Profit & Loss Account**

a. Additional Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income, and crypto or virtual currency specified under the head “additional information” in the Notes to Accounts forming part of the standalone financial statements.

The requirements are extensive and the Group is evaluating the same for giving effect as required by the law.

b. On 18th June 2021, Ministry of Corporate Affairs (“MCA”) through a notification issued amendments to various IND AS. These amendments will come into force from 1st April 2021. The Group is currently evaluating the requirements of these amendments and the effect of the disclosure on the financial statements is being evaluated.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

**Note -02**

**Property, Plant and Equipment**

Details of the Group's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakhs)

| Particulars  | Gross Carrying Amount (At Cost) |              |               | Accumulated Depreciation/Amortisation |                     |                     | Net Book Value |                      |                      |
|--|---------------------------------|--------------|---------------|---------------------------------------|---------------------|---------------------|----------------|----------------------|----------------------|
|  | As at April 1, 2020             | Additions    | Disposals \$  | As at March 31, 2021                  | As at April 1, 2020 | Charge for the Year | On Disposals   | As at March 31, 2021 | As at March 31, 2020 |
| <b>a</b>   |                                 |              |               |                                       |                     |                     |                |                      |                      |
| <b>Property, Plant and Equipment</b>                           |                                 |              |               |                                       |                     |                     |                |                      |                      |
| Land & Buildings*  | 9,725.53                        | -            | 18.71         | <b>9,706.82</b>                       | 329.77              | 107.90              | 2.15           | <b>9,271.30</b>      | 9,395.76             |
| Plant and Equipment  | 1,501.45                        | -            | 161.99        | <b>1,339.46</b>                       | 632.02              | 150.38              | 95.01          | <b>652.07</b>        | 869.43               |
| Furniture and Fixtures   | 741.69                          | 0.10         | 0.19          | <b>741.60</b>                         | 332.95              | 59.89               | 0.07           | <b>348.83</b>        | 408.74               |
| Vehicles   | 133.02                          | -            | 29.14         | <b>103.88</b>                         | 65.21               | 12.94               | 12.06          | <b>37.79</b>         | 67.81                |
| Office Equipment   | 1,167.48                        | 28.82        | (14.44)       | <b>1,210.74</b>                       | 916.88              | 103.32              | 1.12           | <b>1,019.08</b>      | 250.59               |
| Others (Office Furniture)                                      | 94.86                           | 7.57         | -             | <b>102.43</b>                         | 59.78               | 10.02               | -              | <b>32.63</b>         | 35.09                |
| Temporary Hutment  | 49.65                           | -            | -             | <b>49.65</b>                          | 49.65               | -                   | -              | <b>-</b>             | -                    |
| <b>Total (i)</b>   | <b>13,413.68</b>                | <b>36.49</b> | <b>195.59</b> | <b>13,254.58</b>                      | <b>2,386.26</b>     | <b>444.45</b>       | <b>110.41</b>  | <b>10,534.28</b>     | <b>11,027.42</b>     |
| <b>b</b>   |                                 |              |               |                                       |                     |                     |                |                      |                      |
| <b>Property, Plant and Equipment - (Under Perpetual Lease)</b> |                                 |              |               |                                       |                     |                     |                |                      |                      |
| Land**   | 204.39                          | -            | -             | <b>204.39</b>                         | -                   | -                   | -              | <b>204.39</b>        | 204.39               |
| Buildings#   | 827.47                          | -            | -             | <b>827.47</b>                         | 72.23               | -                   | -              | <b>755.24</b>        | 755.24               |
| <b>Total (ii)</b>  | <b>1,031.86</b>                 | <b>-</b>     | <b>-</b>      | <b>1,031.86</b>                       | <b>72.23</b>        | <b>-</b>            | <b>-</b>       | <b>959.63</b>        | <b>959.63</b>        |
| <b>c</b>   |                                 |              |               |                                       |                     |                     |                |                      |                      |
| <b>Right Of Use (ROU) Assets- Finance Lease ##</b>             |                                 |              |               |                                       |                     |                     |                |                      |                      |
| Land**   | 3,046.37                        | -            | -             | <b>3,046.37</b>                       | 213.01              | 33.73               | -              | <b>2,799.63</b>      | 2,833.36             |
| Buildings#   | 1,578.52                        | -            | -             | <b>1,578.52</b>                       | 94.91               | 36.17               | -              | <b>1,447.44</b>      | 1,483.61             |
| <b>Total (iii)</b>   | <b>4,624.89</b>                 | <b>-</b>     | <b>-</b>      | <b>4,624.89</b>                       | <b>307.92</b>       | <b>69.90</b>        | <b>-</b>       | <b>4,247.07</b>      | <b>4,316.97</b>      |
| <b>d</b>   |                                 |              |               |                                       |                     |                     |                |                      |                      |
| <b>Right Of Use (ROU) Assets - Other Lease ##</b>              |                                 |              |               |                                       |                     |                     |                |                      |                      |
| Buildings  | 81.82                           | 40.55        | 19.40         | <b>102.97</b>                         | 39.42               | 38.90               | 15.94          | <b>40.59</b>         | <b>42.40</b>         |
| <b>Total (iv)</b>  | <b>81.82</b>                    | <b>40.55</b> | <b>19.40</b>  | <b>102.97</b>                         | <b>39.42</b>        | <b>38.90</b>        | <b>15.94</b>   | <b>40.59</b>         | <b>42.40</b>         |
| <b>TOTAL (i+ii+iii+iv)</b>                                     | <b>19,152.25</b>                | <b>77.04</b> | <b>214.99</b> | <b>19,014.30</b>                      | <b>2,805.83</b>     | <b>553.25</b>       | <b>126.35</b>  | <b>15,781.57</b>     | <b>16,346.41</b>     |
| <b>Previous Year</b>   | 20,211.17                       | 830.63       | 1,943.65      | 19,152.25                             | 2,226.98            | 644.13              | 65.27          | 16,346.41            | -                    |

**Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021**

\*Freehold land includes 4841.66 Sq. Yard of land acquired from Greater Mohali Area Development Authority, in Sector-80, S.A.S Nagar (Mohali) for Office Building Complex for ₹ 1,532.32 lakh during the financial year 2015-16. During the FY 2016-17 an amount of ₹ 15.97 lakh was added, being the cost of boundary wall constructed for demarcation of the plot.

§ Disposal includes following related to a subsidiary HSCL :

- a) Assets having gross block and accumulated depreciation of ₹ 48.32 lakh and ₹ 10.33 lakh respectively transferred to Assets held for sale (Refer Note 21).
- b) Assets having gross block and accumulated depreciation of ₹ 144.68 lakh and ₹ 98.42 lakh respectively has been sold.
- c) Building with gross block of ₹ 0.84 lakh has been impaired.
- d) Renewal /Modification of ROU Assets with gross block and accumulated depreciation of ₹ 19.40 lakh and ₹ 15.94 lakh respectively.

### No provision for amortisation has been made on land acquired under Perpetual Lease. Leasehold land is amortised on straight line basis over the unexpired period of their respective lease ranging from 85 - 90 years.

\*\* Leasehold land includes a property of 8.28 cottahs of land acquired during FY 2015-16 lying at Plot No. I-5B, Mouza-Laskarhat, J.L. No. 11, P.S Tiljala, Mouja-Kasba, District : 24-Parganas of 99 years from Kolkata Metropolitan Development Authority for ₹ 608.06 lakh. Since the aforesaid land is taken on period of 99 years Lease basis, so amortisation there against has been provided.

\*\* The above leasehold land includes plots no. E-13 and E-14 at Sector – 1 Noida, as per clause no. 4 of the deed the lessee (HSCC (India) Ltd.) shall have to erect and complete the construction of building on the demised land within the specified period of four years unless the lessor allows extension of time. As per lease deed clause allowed time for constructions has already expired on 21-04-2017. Therefore, the group has provided a liability for FY 2020-21 of ₹ 11.30 lakh (FY 2019-20: ₹ 11.30 lakh) as extension fee as per the lease deed extension charges clause payable to New Okhla Industrial Development Authority.

# Building of carrying value of ₹ 412.49 lakh (Gross Block: ₹ 456.42 lakh, Depreciation:- ₹ 17.49 lakh, Closing Dep Reserve: ₹ 43.93 lakh) (31 March 2020: ₹ 429.98 lakh) is constructed on land of 56.412 acres (approx.) taken on long term lease.

### The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

**Lease / Title Deeds for the following Land and Buildings appearing under the head Land & Building and Right of Use (ROU) Assets-Finance Lease are pending for execution in the name of Company:**

(₹ in lakh)

| Particulars  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| (i) Land at MBP, Mehrauli Road, Ghitorni, New Delhi. | 195.77               | 195.77               |
| (ii) Land at Raipur                                  | 348.76               | 348.76               |
| (iii) Land at Faridabad §                            | 1,218.73             | 1,218.73             |
| (iv) Office Building at Arun Chambers, Mumbai        | 1.04                 | 1.04                 |
| (v) Office Building at Assam                         | 379.35               | 379.35               |
| (vi) Flats at Kidwai Nagar                           | 687.67               | 687.67               |
| (vii) NSL Office Building at Okhla                   | 585.75               | 585.75               |
| (viii) HSCL Office Building at Okhla                 | 1,342.25             | 1,342.25             |
| (ix) HSCC Office Building at Okhla *                 | 2,349.41             | 2,349.41             |

The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds made in respect of (ii) to (v).

§ In view of Inordinate delay by Haryana Urban Development Authority (HUDA) to execute conveyance deed in favour of the Company, The Company has requested HUDA to cancel the allotment of land at Faridabad and refund the total amount paid with interest. Derecognition of the asset and consequent adjustments, however, shall be made upon receipt of payment from HUDA.

\* The cost of registrations charges would approximately be ₹ 500 lakh.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -03

#### Capital Work in Progress

Details of the Group's Capital Work in Progress and reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

(₹ in lakh)

| S. No | Particulars              | Gross Carrying Amount (At Cost) |                 |           |                      | Accumulated Depreciation |                     |              |                      | Net Book Value       |                      |
|-------|--------------------------|---------------------------------|-----------------|-----------|----------------------|--------------------------|---------------------|--------------|----------------------|----------------------|----------------------|
|       |                          | As at April 1, 2020             | Additions       | Disposals | As at March 31, 2021 | As at April 1, 2020      | Charge for the Year | On Disposals | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| a     | Capital Work in Progress | 16.77                           | 1,566.19        | -         | 1,582.96             | -                        | -                   | -            | -                    | 1,582.96             | 16.77                |
|       | <b>TOTAL</b>             | <b>16.77</b>                    | <b>1,566.19</b> | <b>-</b>  | <b>1,582.96</b>      | <b>-</b>                 | <b>-</b>            | <b>-</b>     | <b>-</b>             | <b>1,582.96</b>      | <b>16.77</b>         |
|       | Previous Year            | 16.77                           | -               | -         | 16.77                | -                        | -                   | -            | -                    | 16.77                | -                    |

In a Subsidiary HSCC (India) Limited, Capital work-in-progress comprise new interior work being carried at Okhla Building and fees towards building plan submission of Plot E-13 & E14, Sector-1 Noida amounting to ₹ 76.37 lakh and ₹ 2.24 lakh (Previous Year: Nil) respectively.

Addition includes ₹ 1131.10 lakh for an Office Building Unit No. 301 & 302 at NBCC Square, Action Area III, Rajarhat, Kolkata transferred from Inventory to Capital work in progress.

#### Contractual Commitments

A Subsidiary HSCC (India) Limited during F.Y. 2020-21, has entered into a contract for development of new interior at Okhla Building amounting to ₹ 192 lakh out of which ₹ 76.37 lakh (Previous Year: Nil) has been incurred. (Refer Note no. 43 (C) (ii))

### Note -04

#### Investment Property

(₹ in lakh)

|   | Particulars   | Gross Carrying Amount (At Cost) |           |           |                      | Accumulated Depreciation |                     |              |                      | Net Book Value       |                      |
|---|---------------|---------------------------------|-----------|-----------|----------------------|--------------------------|---------------------|--------------|----------------------|----------------------|----------------------|
|   |               | As at April 1, 2020             | Additions | Disposals | As at March 31, 2021 | As at April 1, 2020      | Charge for the Year | On Disposals | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| a | Buildings     | 170.70                          | -         | -         | 170.70               | 9.22                     | 2.70                | -            | 11.92                | 158.78               | 161.48               |
|   | <b>TOTAL</b>  | <b>170.70</b>                   | <b>-</b>  | <b>-</b>  | <b>170.70</b>        | <b>9.22</b>              | <b>2.70</b>         | <b>-</b>     | <b>11.92</b>         | <b>158.78</b>        | <b>161.48</b>        |
|   | Previous Year | 170.70                          | -         | -         | 170.70               | 6.52                     | 2.70                | -            | 9.22                 | 161.48               | -                    |

(i) Amounts recognised in Statement of Profit & Loss for Investment Properties:

(₹ in lakh)

| Particulars   | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Rental Income   | 4.70                                 | 5.90                                 |
| Direct Operating Expenses from property generating Rental Income (including Repair and Maintenance) | -                                    | -                                    |
| <b>Profit from Investment Properties before depreciation</b>  | <b>4.70</b>                          | <b>5.90</b>                          |
| Depreciation  | (2.70)                               | (2.70)                               |
| <b>Profit from Investment Properties</b>  | <b>2.00</b>                          | <b>3.20</b>                          |

#### (ii) Leasing Arrangements

Certain Investment Properties are leased to tenants under long-term operating leases with rentals payable monthly. The Group Capitalized ₹ 170.70 Lakh from Inventory (Real Estate Completed Projects) as investment property in the financial year 2016-17. Future minimum lease payments receivable under long-term operating leases of Investment Properties in the aggregate is ₹ NIL {Previous Year ₹ NIL} as all the lease arrangements are short term in nature.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

(iii) Fair value

(₹ in lakh)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-------------|----------------------|----------------------|
| Buildings   | 175.92*              | 172.33               |

(iv) Lease / Title Deeds for the following Investment Property is pending for execution in the name of Group.

(₹ in lakh)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-------------|----------------------|----------------------|
| Buildings   | 170.70               | 170.70               |

(v) Description of Valuation Techniques used and key inputs to Valuation on Investment Properties:

\*Valuation approach - Composite Rate Method.

The valuation of the investment property was carried out by an independent valuer.

The Valuation Report is based upon the information collected by our technical team during the course of their personal inspection of plot, upon the prior receipt of detailed particulars of property, related documents, date and reply of queries. The subject property as well as its location, amenities availability in the area and with more of commercial area coupled with the enquiries from the local Real Estate Agents and the neighborhood.

“Commercial property in same commercial complex were used for comparison and following factors are taken into consideration:

- i) Location,
- ii) Utility,
- iii) Size, and
- iv) Slump”

(vi) All resulting fair value estimates for Investment Properties are included in level 2 Fair Value

Note -05

Other Intangible Assets

(₹ in lakh)

| S. No | Particulars       | Gross Carrying Amount (At Cost) |           |             |                      | Accumulated Depreciation |                     |             |                      | Net Book Value       |                      |
|-------|-------------------|---------------------------------|-----------|-------------|----------------------|--------------------------|---------------------|-------------|----------------------|----------------------|----------------------|
|       |                   | As at April 1, 2020             | Additions | Disposals   | As at March 31, 2021 | As at April 1, 2020      | Charge for the Year | Disposals   | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| a     | Computer Software | 16.96                           | -         | 3.17        | 13.79                | 16.02                    | 0.79                | 3.17        | 13.64                | 0.15                 | 0.93                 |
|       | <b>TOTAL</b>      | <b>16.96</b>                    | <b>-</b>  | <b>3.17</b> | <b>13.79</b>         | <b>16.02</b>             | <b>0.79</b>         | <b>3.17</b> | <b>13.64</b>         | <b>0.15</b>          | <b>0.93</b>          |
|       | Previous Year     | 16.77                           | 0.19      | -           | 16.96                | 12.59                    | 3.44                | -           | 16.03                | 0.93                 | -                    |

Note - 06

Intangible assets under development

(₹ in lakh)

| S. No | Particulars              | Gross Carrying Amount (At Cost) |           |           |                      | Accumulated Depreciation |                     |           |                      | Net Book Value       |                      |
|-------|--------------------------|---------------------------------|-----------|-----------|----------------------|--------------------------|---------------------|-----------|----------------------|----------------------|----------------------|
|       |                          | As at April 1, 2020             | Additions | Disposals | As at March 31, 2021 | As at April 1, 2020      | Charge for the Year | Disposals | As at March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| a     | Capital Work in Progress | 13.16                           | -         | -         | 13.16                | -                        | -                   | -         | -                    | 13.16                | 13.16                |
|       | <b>TOTAL</b>             | <b>13.16</b>                    | <b>-</b>  | <b>-</b>  | <b>13.16</b>         | <b>-</b>                 | <b>-</b>            | <b>-</b>  | <b>-</b>             | <b>13.16</b>         | <b>13.16</b>         |
|       | Previous Year            | 13.16                           | -         | -         | 13.16                | -                        | -                   | -         | -                    | 13.16                | -                    |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note - 07

(₹ in lakh)

| Investments Accounted for using Equity Method                | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Investment in Joint Ventures                                 | 1,806.10             | 1,839.94             |
| Less: Aggregate amount of Impairment in Value of Investments | -                    | -                    |
| <b>Total</b>   | <b>1,806.10</b>      | <b>1,839.94</b>      |

### Note -07 A

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Aggregate Amount of Quoted Investments and Market Value thereof | -                    | -                    |
| (b) Aggregate Amount of Unquoted Investments                        | 1,806.10             | 1,839.94             |
| (c.) Aggregate Amount of Impairment in Value of Investments         | -                    | -                    |
| <b>Total</b>  | <b>1,806.10</b>      | <b>1,839.94</b>      |

### Note -07 B Detail of Trade Investments in Joint Ventures (Unquoted)

(₹ in lakh)

| S. No        | Particulars  | Place of Business | Share of Profit |                | Amount (₹ in lakh) |                 |
|--------------|--|-------------------|-----------------|----------------|--------------------|-----------------|
|              |  |                   | March 31, 2021  | March 31, 2020 | March 31, 2021     | March 31, 2020  |
| (1)          | (2)  | (3)               | (4)             | (5)            | (6)                | (7)             |
|              | <b>Investment in Company</b>   |                   |                 |                |                    |                 |
| 1            | Real Estate Development & Construction Corporation of Rajasthan Limited - 2000000 equity shares of ₹ 10 each, fully paid up* | India             | 50.00%          | 50.00%         | 187.13             | 179.58          |
|              | <b>Investment in Association of Persons</b>  |                   |                 |                |                    |                 |
| 2            | NBCC-MHG   | India             | 50.00%          | 50.00%         | 1368.46            | 1,409.70        |
| 3            | NBCC-AB  | India             | 50.00%          | 50.00%         | 250.51             | 250.66          |
| <b>Total</b> |  |                   |                 |                | <b>1,806.10</b>    | <b>1,839.94</b> |

\* 2 equity shares in Joint Venture Company are held in the name of nominees of the Parent Company.

### Note -08

(₹ in lakh)

| Investments - Non Current  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>Investment in Equity Instruments :</b>  |                      |                      |
| Investment in Subsidiaries   | -                    | -                    |
| Share Application Money, Pending for Allotment                                       | -                    | -                    |
| Engineering Projects (India) Limited - 210 equity shares of ₹10 each, fully paid up* | 0.02                 | 0.02                 |
| <b>Other Investments:</b>  |                      |                      |
| <b>Investment in Joint Ventures**</b>  | -                    | -                    |
| Less: Aggregate amount of Impairment in Value of Investments                         | -                    | -                    |
| <b>Total</b>   | <b>0.02</b>          | <b>0.02</b>          |

\* 54 Equity Shares of ₹ 1000.00 each fully paid up in Engineering Projects (India) Limited (A Government of India Undertaking) acquired at a cost of ₹ 54,000 but reduced to ₹ 38.95 each after restructuring of the company later on, The Company (EPI) in their 40th Annual General Meeting approved the splitting of shares of face value of ₹ 38.95 each into the face value of ₹ 10 each. As a result, the shareholding of HSCL in EPI has been changed from 54 Equity Share of ₹ 38.95 to 210 share of ₹ 10 each.

\*\* Reason for Non Consolidating this Investment (Refer Note No - 53 A )



Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -08 A

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Aggregate Amount of Quoted Investments and Market Value thereof | -                    | -                    |
| (b) Aggregate Amount of Unquoted Investments                        | 0.02                 | 0.02                 |
| (c.) Aggregate Amount of Impairment in Value of Investments         | -                    | -                    |
| <b>Total</b>  | <b>0.02</b>          | <b>0.02</b>          |

Note -08 B Detail of Trade Investments in Joint Ventures (Unquoted)

(₹ in lakh)

| S. No        | Particulars   | Place of Business | Share of Profit (%) |                | Amount         |                |
|--------------|---|-------------------|---------------------|----------------|----------------|----------------|
|              |   |                   | March 31, 2021      | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| (1)          | (2)   | (3)               | (4)                 | (5)            | (6)            | (7)            |
| 1            | Investment in Association of Persons<br>NBCC-R. K. Millen # | India             | 50.00%              | 50.00%         | -              | -              |
| <b>Total</b> |   |                   |                     |                | -              | -              |

# The Group has won arbitration award in respect of disputes with JV partner M/s R.K. Millen & Co. (INDIA) Private Limited. The award is partially realised and the amount of investment in JV has been adjusted against it in the year 2019-20. The dissolution of the defunct partnership shall be pursued after receiving award amount in full.

Note -09

(₹ in lakh)

| Other Financial Assets (Non Current)                            | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Retention Money & Security Deposits with Clients & Others (Net) |                      |                      |
| - Considered Good   | 19,397.28            | 20,357.23            |
| - Considered doubtful   | 0.78                 | 0.78                 |
| <b>Impairment Allowance:</b>                                    |                      |                      |
| Unsecured, Considered good                                      | -                    | -                    |
| Unsecured, Considered doubtful                                  | (0.78)               | (0.78)               |
| Advance Recoverable from Staff                                  | 11.59                | 20.75                |
| Advance to Clients#   | 1,24,633.52          | 1,13,394.44          |
| Fixed Deposit having maturity more than 12 Months*              | 972.41               | 5,205.25             |
| <b>Total</b>  | <b>1,45,014.80</b>   | <b>1,38,977.67</b>   |

# Includes an advance of ₹ 90834.91 Lakh (P.Y. ₹ 90834.91) given to MOHUA and ₹ 31833.61 Lakh (P.Y. ₹ 20933.42) interest accrued thereon in pursuance of MOU executed.

# Includes an advance of ₹ 1771.00 Lakh (P.Y. ₹ 1591.00) given to Rail Land Development Authority and ₹ 194.01 Lakh (P.Y. ₹ 35.11) interest accrued thereon in pursuance of MOU executed.

\* Includes interest accrued 54.87 45.50

\* Includes Fixed deposit under Lien 85.20 2,772.93

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -10

#### Movements in Deferred Tax Assets

(₹ in lakh)

| Deferred Tax Assets (Net)                                | As at March 31, 2020 | (Charged) / Credited to Statement of Profit & Loss | (Charged) / Credited to OCI | As at March 31, 2021 |
|--|----------------------|--|-----------------------------|----------------------|
| <b>Deferred Tax Assets</b>                               |                      |  |                             |                      |
| Arising on account of Temporary difference in:           |                      |  |                             |                      |
| Provision for Employee Benefits                          | 2,757.66             | (104.58)   | 6.70                        | 2,659.78             |
| Impairment Allowance                                     | 11,532.82            | 720.63   | -                           | 12,253.45            |
| Provision for Warranty Charges                           | 433.09               | (24.41)  | -                           | 408.68               |
| Provision for Onerous Contract                           | 119.05               | (5.70)   | -                           | 113.35               |
| Provision for Others                                     | 786.27               | 81.40  | -                           | 867.67               |
| Provision for Inventories                                | 601.3                | 608.23   | -                           | 1,209.53             |
| Provision for Other Financial Assets                     | 532.02               | (0.08)   | -                           | 531.94               |
| Advance Revenue PMC                                      | 15,743.90            | (655.66)   | -                           | 15,088.24            |
| Advance Revenue Real Estate                              | 1,677.57             | (386.34)   | -                           | 1,291.23             |
| Carry Forward Losses                                     | 2,691.93             | (663.79)   | -                           | 2,028.14             |
| Ind AS 116   | 1.03                 | 0.33   | -                           | 1.36                 |
| Exchange difference on translation of Foreign Operations | (20.23)              | -  | 20.97                       | 0.74                 |
| Intercompany sale of Properties                          | 2,149.21             | (34.70)  | -                           | 2,114.51             |
| <b>Deferred Tax Liabilities</b>                          |                      |  |                             |                      |
| Arising on account of Temporary difference in:           |                      |  |                             |                      |
| Depreciation   | 946.10               | 267.22   | -                           | 1,213.32             |
| <b>Total</b>   | <b>38,059.52</b>     | <b>(731.89)</b>                                    | <b>20.97</b>                | <b>37,355.30</b>     |

The Group has recognised Deferred Tax Asset in respect of unutilised carried forward losses and unabsorbed depreciation in respect of HSCL & HSCC, a subsidiary of Parent.

### Note -11

(₹ in lakh)

| Non Current Tax Assets (Net)           | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Advance Income Tax (Net of Provisions) | 73.25                | 2,871.13             |
| <b>Total</b>                           | <b>73.25</b>         | <b>2,871.13</b>      |

### Note -12

(₹ in lakh)

| Other Non Current Assets              | As at March 31, 2021 | As at March 31, 2020 |
|---------------------------------------|----------------------|----------------------|
| Advance to Suppliers and Others (Net) | 1,333.51             | 5,753.70             |
| Prepaid Expenses                      | 42.94                | 109.38               |
| <b>Total</b>                          | <b>1,376.45</b>      | <b>5,863.08</b>      |

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -13

(₹ in lakh)

| Inventories (At Cost or Net Realisable Value whichever is Lower) | As at March 31, 2021 |                    | As at March 31, 2020 |                    |
|--|----------------------|--------------------|----------------------|--------------------|
|  |                      |                    |                      |                    |
| Land Bank  | 67,216.56            | 64659.99           | 67,094.12            | 66,077.40          |
| Less: Provisions   | 2,556.57             |                    | 1,016.72             |                    |
| <b>Work-in-progress *</b>  |                      |                    |                      |                    |
| (i) Construction Work in Progress                                | 24,925.41            | 104696.49          | 69,304.45            | 1,10,659.63        |
| (ii) Completed Projects #  | 81,837.50            |                    | 42,459.41            |                    |
| (ii) Less : Provision  | 2,066.42             |                    | 1,104.23             |                    |
| Raw Materials and components                                     | 4.64                 |                    | 4.64                 |                    |
| Stores and spares  | 49.20                |                    | 10.83                |                    |
| Loose Tools  | 22.74                |                    | 24.50                |                    |
| Scrap  | 7.24                 |                    | 5.64                 |                    |
| Centering, Shuttering and Scaffolding                            | 143.41               |                    | 178.91               |                    |
| Hostel Staff Camp Equipments                                     | -                    |                    | -                    |                    |
| Finished Goods   | 15.10                |                    | 15.48                |                    |
| Less: Provisions for Obsolescence                                | 227.50               | 14.83              | 223.20               | 16.80              |
| <b>Total</b>   |                      | <b>1,69,371.31</b> |                      | <b>1,76,753.83</b> |

\* Refer Note No. 56

# Work in Progress includes ₹ 916.96 Lakh (Previous Year ₹ 916.96 Lakh ) as Group's share in a Jointly developed project. Group has 76.98% Interest in NBCC - Agartala Municipal Corporation ( Joint Operation )

Note -14

(₹ in lakh)

| Current Investments  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Investment in Equity Instruments of Subsidiaries             | 392.04               |                      |
| Less: Aggregate amount of Impairment in Value of Investments | (237.83)             |                      |
| <b>Investment in Mutual Funds</b>                            |                      |                      |
| Investment in Liquid Fund Cash Plan                          | -                    | 1,000.00             |
| <b>Total</b>   | <b>154.21</b>        | <b>1,000.0</b>       |

Note -14 A

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| (a) Aggregate Amount of Quoted Investments and Market Value thereof | -                    | -                    |
| (b) Aggregate Amount of Unquoted Investments                        | 392.04               | 1,000.00             |
| (c.) Aggregate Amount of Impairment in Value of Investments         | (237.83)             | -                    |
| <b>Total</b>  | <b>154.21</b>        | <b>1,000.00</b>      |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -14 B

(₹ in lakh)

| Details of Current Investments  | No. Of Units / % of Holding |                | Amount         |                |
|---|-----------------------------|----------------|----------------|----------------|
|   | March 31, 2021              | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| <b>Investment in Subsidiary Companies</b>   |                             |                |                |                |
| <b>Indian Company</b>   |                             |                |                |                |
| NBCC Engineering & Consultancy Limited - 10,00,000 equity shares of ₹ 10 each , fully paid up # | 100%                        | -              | 100.00         | -              |
| Less: Provision for diminution in the value of Investment                                       |                             |                | (100.00)       | -              |
| <b>Foreign Company (Oman)</b>   |                             |                |                |                |
| NBCC GULF L.L.C - 175000 equity shares of 1 Omani Rial each, fully paid up#                     | 70%                         | -              | 292.04         | -              |
| Less: Provision for diminution in the value of Investment                                       |                             |                | (137.83)       | -              |
| <b>Mutual Funds *</b>   |                             |                |                |                |
| Baroda Liquid Fund- Plan B Growth - Dividend Reinvestment                                       | -                           | 43,698.77      | -              | 1000.00        |
| <b>Total</b>  | -                           | 43.698.77      | <b>154.21</b>  | 1,000.00       |

\* NAV per unit is ₹ NIL (P.Y. ₹ 2288.3938)

# The group, in its Board Meeting dated September 23, 2019, has decided to close the subsidiary company NBCC Engineering & Consultancy Limited. The approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs was received on June 16, 2020 for the proposed closure. The Board of Directors of the subsidiary company passed a special resolution for the voluntary winding-up and appointment of liquidator at Extraordinary General Meeting of the subsidiary Company held on February 19, 2021. Accordingly, the group lost its control over the subsidiary company on February 19, 2021 and derecognised its share in assets and liabilities/ equity in accordance with para 25 of Ind AS 110 (refer note 55).

# The group, in its Board Meeting dated July 15, 2019, decided to close the subsidiary company NBCC GULF L.L.C. The approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs was received on June 16, 2020 for the proposed closure. The partners of NBCC Gulf LLC, in its meeting dated July 02, 2020, unanimously resolved to liquidate the company and approved the appointment of liquidator. The liquidator, on September 1, 2020, filed necessary documents w.r.t Liquidation with the Registrar of Companies in Sultanate of Oman. The notification of the liquidation was published in official gazette on September 13, 2020. The partners of the company, in its meeting dated March 29, 2021, approved the final report of the liquidator and the final form of the liquidation work. The partners decided to register the partners resolution and to complete the liquidation procedure by publishing in the official gazette and thus to cancel the certificate of registration of the subsidiary company to end its legal entity status. The certificate of registration has been cancelled on June 20, 2021 by Sultanate of Oman. Accordingly the group lost its control over the subsidiary company on July 2, 2020 and derecognised its share in assets and liabilities/ equity in accordance with para 25 of Ind AS 110 (refer note 55).

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -15

(₹ in lakh)

| Trade Receivables   | As at March 31, 2021 |                    | As at March 31, 2020 |                    |
|---|----------------------|--------------------|----------------------|--------------------|
| Considered Good - Secured   |                      | -                  |                      | -                  |
| Considered Good - Unsecured   |                      | 2,28,710.71        |                      | 2,21,730.79        |
| Trade Receivables which have significant increase in credit risk    |                      | 17,861.76          |                      | 1,859.16           |
| Trade Receivables – Credit Impaired                                 |                      | 1,956.64           |                      | 1,646.01           |
|   |                      | 2,48,529.11        |                      | 2,25,235.96        |
| <b>Less: Loss allowance</b>   |                      |                    |                      |                    |
| Considered Good - Unsecured   | 21,602.44            |                    | 36,173.38            |                    |
| Trade Receivables which have significant increase in credit risk ** | 17,861.76            |                    | 1,859.16             |                    |
| Trade Receivables – Credit Impaired                                 | 1,956.63             | 41,420.83          | 1,646.01             | 39,678.55          |
| <b>Total</b>  |                      | <b>2,07,108.28</b> |                      | <b>1,85,557.41</b> |

\*\* Refer Note No. 49

Note -16

(₹ in lakh)

| Cash and Cash Equivalents                         | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Balances with Banks in Current Account *          | 77,671.31            | 46,749.83            |
| Remittances in Transit                            | 163.37               | 2,466.16             |
| Flexi Deposits upto 3 months Original Maturity ** | 1,53,985.79          | 1,34,501.59          |
| Fixed Deposits upto 3 months Original Maturity#   | 19,849.35            | 11,163.60            |
| <b>Total</b>                                      | <b>2,51,669.82</b>   | <b>1,94,881.18</b>   |

\* Includes Balances with Banks under Lien 12.50 12.50

\* Includes Balances in Unpaid Dividend Account 56.03 49.89

\* Includes Balances Research and Development Fund 16.77 16.77

\* Includes Balances Sustainable Development Fund 12.91 12.91

\* Includes Balances in RERA 1,538.64 2,069.25

\*\* Includes Interest Accrued on Flexi Deposits 208.12 356.18

# Includes Interest Accrued on Fixed Deposits 51.62 44.76

Note -17

(₹ in lakh)

| Bank Balance Other Than Above  | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>Other Bank Balances:</b>  |                      |                      |
| Flexi Deposits having Original Maturity more than 3 months and upto 12 Months    | 1,24,209.00          | 1,27,575.57          |
| Fixed Deposits having Original Maturity more than 3 months and upto 12 Months. * | 1,94,435.64          | 1,98,182.24          |
| <b>Total</b>   | <b>3,18,644.64</b>   | <b>3,25,757.81</b>   |

\* Includes Fixed Deposits with Banks under Lien 10,129.98 15,395.91

\* Includes Interest Accrued on Fixed Deposits 4,337.30 5,321.66

\* Includes deposits pledged against bank guarantee 3,126.11 1,606.82

\* Includes ₹ 7866.07 lakh, (31 March 2020 ₹ 7,642.60 lakh) out of ₹ 11,000 lakh received on 28 March 2017 from GOI for discharge of VRS liability. Such amounts received from the Government of India is earmarked for discharge of liability under the Voluntary Retirement Scheme as applicable to the erstwhile employees of the Company.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -18

(₹ in lakh)

| Other Financial Assets   | As at March 31, 2021 |                  | As at March 31, 2020 |                  |
|--|----------------------|------------------|----------------------|------------------|
| Earnest Money & Security Deposits                                    | 1,223.32             |                  | 1,212.41             |                  |
| Less : Provision   | 316.11               | 907.21           | -                    | 1,212.41         |
| Unsecured Retention & Security Deposit with Clients, Considered good | 19,081.08            |                  | 20,513.60            |                  |
| Less : Impairment Allowance  | 2,220.28             | 16,860.80        | 2,254.79             | 18,258.81        |
| Advance to Clients   |                      | 703.00           |                      | 207.03           |
| Flexi Deposit having Original Maturity more than 12 Months           |                      | 4.84             |                      | 41.94            |
| Advance Recoverable from Staff                                       |                      | 50.52            |                      | 75.57            |
| Interest Recoverable from Contractor                                 | 1,628.08             |                  | 4,228.70             |                  |
| Less : Impairment Allowance  | 41.09                | 1,586.99         | 41.09                | 4,187.61         |
| Unbilled Revenue*  |                      | 22,059.33        |                      | 17,054.91        |
| Interest Recoverable   | 3,677.49,            |                  | 3,244.16             |                  |
| Less : Impairment Allowance  | 530.44               | 3,147.05         | 530.44               | 2,713.72         |
| Other Financial Assets   | 2,306.13             |                  | 2,130.76             |                  |
| Less : Impairment Allowance  | 1,974.62             | 331.51           | 1,974.93             | 155.83           |
| <b>Total</b>   |                      | <b>45,651.25</b> |                      | <b>43,907.83</b> |

\* Includes value of work done pertaining to performance obligation completed and billed in subsequent months.

The following Bank Balances out of Note 16, 17 and 18 are held in the Separate Bank Accounts maintained on behalf of Clients/ Ministries:-

(₹ in lakh)

| Bank Balance held on behalf of Ministries/Clients                            | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Balances with Banks in Current Account                                       | 59,008.95            | 22,429.93            |
| Flexi Deposits upto 3 months Original Maturity                               | 1,46,942.94          | 1,27,516.45          |
| Flexi Deposit having Original Maturity more than 3 months and upto 12 Months | 1,23,151.52          | 1,26,447.11          |
| Fixed Deposit having Original Maturity more than 3 months and upto 12 Months | 1,47,215.92          | 1,35,323.10          |
| Fixed Deposit having Original Maturity more than 12 months.                  | 4.84                 | 41.94                |
| Balances with Banks in RERA Account  | 1,538.64             | 2,069.25             |
| <b>Total</b>   | <b>4,77,862.81</b>   | <b>4,13,827.78</b>   |

### Note -19

(₹ in lakh)

| Current Tax Assets (Net)               | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Advance Income Tax (Net of Provisions) | 17,225.17            | 13,295.59            |
| <b>Total</b>                           | <b>17,225.17</b>     | <b>13,925.59</b>     |

### Note -20

(₹ in lakh)

| Other Current Assets                        | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Advance Fringe Benefit Tax                  | 6.86                 | 6.86                 |
| Advances to PRWs, Suppliers & Others (Net)* | 72,111.16            | 80,296.56            |
| Prepaid Expenses                            | 369.66               | 336.84               |
| Balances with Government Authorities (Net)  | 29,630.34            | 23,256.86            |
| Others                                      | 66.07                | 303.58               |
| <b>Total</b>                                | <b>1,02,184.09</b>   | <b>1,04,200.70</b>   |

\*Includes amount paid in advance to Gratuity Trust

286.28

711.95

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -21

(₹ in lakh)

| Asset Held for Sale# | As at March 31, 2021 | As at March 31, 2020 |
|----------------------|----------------------|----------------------|
| Residential Flat*    | 1,061.98             | 1,061.98             |
| Land*                | 157.97               | 157.97               |
| Other **             | 26.57                | 2.92                 |
| <b>Total</b>         | <b>1,246.52</b>      | <b>1,222.87</b>      |

\* Includes Gross block and accumulated depreciation of Flat at East Kidwai Nagar, New Delhi amounting to ₹ 392.37 Lakh and ₹ 13.93 Lakh respectively transferred from Property, Plant and Equipment in F.Y. 2019-20.

\*\* Includes asset transferred from Property, Plant, & Equipment of Gross block and accumulated depreciation amounting to ₹ 40.04 (P.Y. ₹ 11.29) Lakh and ₹ 38.39 (P.Y. ₹ 10.02) Lakh respectively.

\*\* Includes Property, Plant, & Equipment of Gross block and accumulated depreciation amounting to ₹ 40.04 lakh and ₹ 38.39 lakh respectively

\*\* Includes carrying value (net of impairment). The group has recognized impairment loss of ₹ 9.99 lakh on Vehicles and an amount of ₹ 3.09 lakh on Plant and machinery in accordance with Ind-AS 105 - Non-current asset held for sale. (Refer Note - 38)

# The above figures represent the Land Cost including provision for stamp duties payable on execution of lease / title deeds.

Note -22

(₹ in lakh)

| Equity Share Capital  | As at March 31, 2021 |                  | As at March 31, 2020 |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | Number               | Amount           | Number               | Amount           |
| <b>Authorised:</b>  |                      |                  |                      |                  |
| Equity Shares of ₹ 1/- ( Previous Year ₹ 1) each              | 2,000,000,000        | 20,000.00        | 2,000,000,000        | 20,000.00        |
| <b>Issued, Subscribed &amp; Paid up</b>                       |                      |                  |                      |                  |
| Fully paid up Equity Shares of ₹ 1/- (Previous Year ₹ 1) each | 1,800,000,000        | 18,000.00        | 1,800,000,000        | 18,000.00        |
| <b>Total</b>  | <b>1,800,000,000</b> | <b>18,000.00</b> | <b>1,800,000,000</b> | <b>18,000.00</b> |

Note -22 A

(₹ in lakh)

| Equity Share Capital                            | Equity Share Capital |                  |                      |                  |
|---|----------------------|------------------|----------------------|------------------|
|   | As at March 31, 2021 |                  | As at March 31, 2020 |                  |
|   | Number               | Amount           | Number               | Amount           |
| Shares outstanding at the beginning of the year | 1,800,000,000        | 18,000.00        | 1,800,000,000        | 18,000.00        |
| Add : Shares issued during the year             | -                    | -                | -                    | -                |
| Shares outstanding at the end of the year       | <b>1,800,000,000</b> | <b>18,000.00</b> | <b>1,800,000,000</b> | <b>18,000.00</b> |

Note -22 B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakh)

| Name  | As at March 31, 2021 |            | As at March 31, 2020 |            |
|---|----------------------|------------|----------------------|------------|
|   | No. Of Shares        | Percentage | No. Of Shares        | Percentage |
| President of India                          | 1,111,579,093        | 61.75%     | 1,111,579,093        | 61.75%     |
| Life Insurance Corporation of India Limited | 117,866,918          | 6.55%      | 117,866,918          | 6.55%      |

Note -22 C

The Group has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholders is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note -22 D

During the year 2016-17, 300000000 Equity Shares of ₹ 2/- each were issued as fully paid Bonus Shares with rights pari passu with existing Equity Shares.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -22 E

Group has split face value of equity share from ₹ 10/- each to ₹ 2/- per share as approved by the shareholders of the Group through postal ballot on June 02, 2016

Group has split face value of equity share from ₹ 2/- each to ₹ 1/- per share as approved by the shareholders of the Group through postal ballot on April 05, 2018.

### Note -22 F

Group has transferred 4804 (P.Y. 1361) & NIL (P.Y. 1) number of shares in NSDL and CSDL respectively held by investors pursuant to section 124 (6) of The Companies Act, 2013 and the rules notified thereunder whose dividend is unclaimed/unpaid for seven years to a demat account of the Investor Education and Protection Fund (IEPF) Authority on November 12, 2020.

### Note -22 G

#### Reserves and Surplus

#### Nature and purpose of Other Reserves

#### Retained Earnings

Retained Earning represent the undistributed profits of the Group.

#### Capital Reserve

Capital reserve represents the undistributed profits of the HSCL, a subsidiary of the parent. Government of India has approved ₹ 20,000 lakh as outright support for repayment of term loan of ₹ 51,836 lakh as per re-structuring package, as Grant-in-Aid in the year 2015-16. The Grant has been received during the year 2016-17 and the entire loan has been paid off. The Group has recognised 51% share in capital Reserve amounting to ₹ 10259.89 lakh w.e.f April 01, 2017.

#### Capital Redemption Reserve

This reserve represents reserve created on buy-back of equity shares of the HSCC, a subsidiary of the parent. The reserve may be utilised in accordance with the provisions of the Companies Act, 2013.

#### General Reserve

General Reserve represents the statutory reserve, this is in accordance with Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Group can declared dividend, however under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Group.

#### Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of Gain/(Loss) booked on Re-measurement of Defined Benefit Plans and Exchange Difference on translation of foreign operation.

### Note -23

(₹ in lakh)

| Non-Current - Financial Liabilities | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------------------|----------------------|----------------------|
| Security Deposits - Contractors     | 19,716.32            | 20,786.34            |
| Lease Liabilities                   | 30.21                | 17.99                |
| <b>Total</b>                        | <b>19,746.53</b>     | <b>20,804.33</b>     |

### Note -24

(₹ in lakh)

| Provisions- Non Current                   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| <b>Provisions for Employee Benefits :</b> |                      |                      |
| Leave Encashment                          | 5,042.25             | 5,068.92             |
| Gratuity                                  | -                    | -                    |
| Travelling Allowance on Superannuation    | 39.69                | 43.11                |
| Post Retirement Medical Benefit           | 6,588.22             | 5,549.13             |
| Long Service Awards                       | 113.99               | 118.38               |
| Other / Contingencies                     | 50.30                | 48.00                |
| <b>Total</b>                              | <b>11,834.45</b>     | <b>10,827.54</b>     |

For movements in each class of Provision during the Financial Year (Refer Note 29A)



Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -25

(₹ in lakh)

| Other Non-Current Liabilities | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------------|----------------------|----------------------|
| Advance from Clients          | 11,659.92            | 11,408.64            |
| <b>Total</b>                  | <b>11,659.92</b>     | <b>11,408.64</b>     |

Note -26

(₹ in lakh)

| Trade Payables                               | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Due to Micro, Small and Medium Enterprises # | 120.65               | 492.48               |
| Due to Others                                | 2,69,912.66          | 302,152.83           |
| Amount withheld against Work                 | 56,514.13            | 52,574.64            |
| <b>Total</b>                                 | <b>326,547.44</b>    | <b>355,219.95</b>    |

# Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act, 2006”) is as under:

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

(₹ in lakh)

| Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| The principal amount remaining unpaid as at the end of year.  | 112.92               | 492.48               |
| Interest due on above principal and remaining unpaid as at the end of the year.   | 7.73                 | -                    |
| The amount of interest paid by the buyer in terms of section 16, of the (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.  | -                    | -                    |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under (MSMED) Act, 2006.   | -                    | -                    |
| The amount of interest accrued and remaining unpaid at the end of each accounting year; and   | 7.73                 | -                    |
| The amount of 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the (MSMED)Act, 2006 | -                    | -                    |
| <b>Total</b>  | <b>120.65</b>        | <b>492.48</b>        |

Note -27

(₹ in lakh)

| Other Financial Liabilities (Current)     | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Current Maturities of Long Term Borrowing | -                    | -                    |
| Earnest Money & Security Deposits         | 1,05,653.55          | 107,352.20           |
| Other Payables*                           | 22,512.29            | 28,701.22            |
| Lease Liabilities                         | 21.24                | 36.72                |
| Unclaimed Dividend#                       | 56.03                | 49.89                |
| Interim / Final Dividend Payable          | -                    | -                    |
| <b>Total</b>                              | <b>1,28,243.11</b>   | <b>1,36,140.03</b>   |

# During the year the Group transferred ₹ 0.52 Lakh (P. Y. - ₹ 0.97 Lakh) to Investor Education & Protection Fund

\* Includes a sum of ₹ 368.00 lakh provided as liability towards Outstanding Guarantee Fees related to FY 2012-13 & 2013-14 not converted to equity during FY 2015-16 as per the Restructuring Plan of HSCL a subsidiary of parent.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -28

(₹ in lakh)

| Other Current Liabilities   | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------------|----------------------|----------------------|
| Taxes Payable*              | 19,906.74            | 13,269.65            |
| Advance from Clients        | 5,34,241.47          | 452,797.84           |
| Revenue Received in Advance | 68,943.25            | 72,782.23            |
| <b>Total</b>                | <b>6,23,091.46</b>   | <b>5,38,849.71</b>   |

\* HSCIL, a subsidiary of the parent, is in the process of calculation of anti profiteering as per Goods and Service Tax Act 2017 for the projects awarded before 01-07-2017 spill over subsequent years, it's necessary adjustment in respect of 14 Projects have been carried out during FY 2020-2021 (5 Projects have been carried out during FY 2019-2020) and further in respect of remaining projects, necessary adjustments if any will be carried out in current year.

### Note -29

(₹ in lakh)

| Provisions-Current                      | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| <b>Provision for Employee Benefits:</b> |                      |                      |
| Gratuity                                | 443.21               | 456.21               |
| Leave Encashment                        | 1,015.15             | 1,051.28             |
| Travelling Allowance on Superannuation  | 9.86                 | 9.26                 |
| Post Retirement Medical Benefit         | 119.19               | 262.45               |
| Long Service Awards                     | 36.79                | 38.14                |
| VRS Liabilities                         | 7,898.39             | 7,629.14             |
| Provision for PRP                       | 250.06               | 829.05               |
| Provision for Warranty Charges          | 1,623.81             | 1,720.81             |
| Provision for Research & Development    | 101.33               | 1,215.15             |
| Provision for CSR Activities            | 526.52               | 113.71               |
| Provision for Onerous Contracts         | 450.39               | 473.02               |
| Sustained Development Fund              | 12.91                | 12.91                |
| Provision for Other Contingency         | 3,076.07             | 3,076.07             |
| <b>Total</b>                            | <b>15,563.68</b>     | <b>16,887.20</b>     |

For movements in each class of Provision during the Financial Year (Refer Note 29A)

### Note -29 A

Disclosure under Ind AS -37 on "Provisions, Contingent Liabilities and Contingent Assets":

#### Movement in Provisions

Movements in each class of provision (Current & Non Current) during the financial year, are set out below:

(₹ in lakh)

| Particular                             | Provision for Warranty Charges | Provision for Research & Development | Provision for Onerous Contract | Other / Contingencies | Provision for CSR |
|--|--------------------------------|--------------------------------------|--------------------------------|-----------------------|-------------------|
| As at April 1, 2020                    | 1,720.81                       | 1,215.15                             | 473.01                         | 3,124.07              | 113.71            |
| Provision made during the year         | -                              | -                                    | -                              | (2.30)                | 1,467.86          |
| Less : Paid / Adjusted during the year | 97.00                          | 1,113.82                             | (22.62)                        | -                     | 1,055.05          |
| <b>March 31, 2021</b>                  | <b>1,623.81</b>                | <b>101.33</b>                        | <b>450.39</b>                  | <b>3,126.37</b>       | <b>526.52</b>     |

| Particular  | Gratuity        | Leave Encashment | Travelling Allowance on Superannuation | Post Retirement Medical Benefit | Long Service Awards |
|---|-----------------|------------------|--|---------------------------------|---------------------|
| As at April 1, 2020   | (255.74)        | 6,120.20         | 52.37                                  | 5,811.58                        | 156.52              |
| Provision made during the year Profit & Loss                      | 643.78          | 1,410.39         | 5.54                                   | 490.57                          | 17.48               |
| Provision made during the year - Other Comprehensive Income (OCI) | 387.80          | -                | (6.75)                                 | 950.75                          | (11.18)             |
| Less: Paid/Adjusted during the year                               | 1,044.58        | 1,473.19         | 1.61                                   | 545.49                          | 12.04               |
| <b>March 31, 2021</b>   | <b>(268.74)</b> | <b>6,057.40</b>  | <b>49.55</b>                           | <b>6,707.41</b>                 | <b>150.78</b>       |

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -30

(₹ in lakh)

| Revenue from Operations  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--------------------------|---|---|
| <b>Value of Services</b> |   |   |
| Value of Work Done       | 6,73,993.72                             | 8,02,750.41                             |
| <b>Total</b>             | <b>6,73,993.72</b>                      | <b>8,02,750.41</b>                      |

Note -30 A

(₹ in lakh)

| Gross income derived from Services are as under: | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| Project Management Consultancy                   | 6,28,707.84                             | 7,47,066.03                             |
| Real Estate                                      | 9,464.10                                | 14,523.25                               |
| Engineering, Procurement & Construction          | 35,821.78                               | 41,161.13                               |
| <b>Total</b>                                     | <b>6,73,993.72</b>                      | <b>8,02,750.41</b>                      |

Note -30 B

(₹ in lakh)

| Particulars                                      |                              | For the year ended on March 31, 2021 |                 |                  |                    |
|--|------------------------------|--------------------------------------|-----------------|------------------|--------------------|
| Disaggregation of Revenue By:                    | Types of Services by Nature: | PMC                                  | RE              | EPC              | Total              |
| Type of Contract                                 | Cost Plus Contracts          | 6,28,707.84                          | -               | -                | 6,28,707.84        |
|  | Fixed Price Contracts        | -                                    | 9,464.10        | 35,821.78        | 45,285.88          |
| <b>Total</b>                                     |                              | <b>6,28,707.84</b>                   | <b>9,464.10</b> | <b>35,821.78</b> | <b>6,73,993.72</b> |
| Timing of Satisfaction of Performance obligation | Over the period of time      | 6,28,707.84                          | -               | 35,821.78        | 6,64,529.62        |
|  | At a Point of time           | -                                    | 9,464.10        | -                | 9,464.10           |
| <b>Total</b>                                     |                              | <b>6,28,707.84</b>                   | <b>9,464.10</b> | <b>35,821.78</b> | <b>6,73,993.72</b> |
| Method of Measurement of Performance obligation  | Input Method                 | 6,28,707.84                          | -               | 35,821.78        | 6,64,529.62        |
|  | Output Method                | -                                    | -               | -                | -                  |
|  | Stand-alone selling price    | -                                    | 9,464.10        | -                | 9,464.10           |
| <b>Total</b>                                     |                              | <b>6,28,707.84</b>                   | <b>9,464.10</b> | <b>35,821.78</b> | <b>6,73,993.72</b> |

Note -30 C

(₹ in lakh)

| Particulars                                      |                              | For the year ended on March 31, 2020 |                  |                  |                    |
|--|------------------------------|--------------------------------------|------------------|------------------|--------------------|
| Disaggregation of Revenue By:                    | Types of Services by Nature: | PMC                                  | RE               | EPC              | Total              |
| Type of Contract                                 | Cost Plus Contracts          | 7,47,066.03                          | -                | -                | 7,47,066.03        |
|  | Fixed Price Contracts        | -                                    | 14,523.25        | 41,161.13        | 55,684.38          |
| <b>Total</b>                                     |                              | <b>7,47,066.03</b>                   | <b>14,523.25</b> | <b>41,161.13</b> | <b>8,02,750.41</b> |
| Timing of Satisfaction of Performance obligation | Over the period of time      | 7,47,066.03                          | -                | 41,161.13        | 7,88,227.16        |
|  | At a Point of time           | -                                    | 14,523.25        | -                | 14,523.25          |
| <b>Total</b>                                     |                              | <b>7,47,066.03</b>                   | <b>14,523.25</b> | <b>41,161.13</b> | <b>8,02,750.41</b> |
| Method of Measurement of Performance obligation  | Input Method                 | 7,47,066.03                          | -                | 41,161.13        | 7,88,227.16        |
|  | Output Method                | -                                    | -                | -                | -                  |
|  | Stand-alone selling price    | -                                    | 14,523.25        | -                | 14,523.25          |
| <b>Total</b>                                     |                              | <b>7,47,066.03</b>                   | <b>14,523.25</b> | <b>41,161.13</b> | <b>8,02,750.41</b> |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -31

(₹ in lakh)

| Other Operating Revenues                | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Miscellaneous Receipts                  | 2,370.64                             | 1,415.18                             |
| Unadjusted Credit Balances Written Back | 5,110.32                             | 3,364.60                             |
| Provisions Written Back - Others        | 1,731.82                             | 1,177.18                             |
| <b>Total</b>                            | <b>9,212.78</b>                      | <b>5,956.96</b>                      |

### Note -32

(₹ in lakh)

| Other Income  | For the year ended on March 31, 2021 |                  | For the year ended on March 31, 2020 |                  |
|---|--------------------------------------|------------------|--------------------------------------|------------------|
| Banks Interest Gross                                      | 21,887.35                            |                  | 27,459.75                            |                  |
| Less: Interest passed to Clients                          | 19,372.59                            | 2,514.76         | 24,038.63                            | 3,421.12         |
| Interest on Advance from Contractor                       | 4,186.82                             |                  | 3,856.14                             |                  |
| Less: Interest passed to Sub Contractor                   | 1,204.60                             | 2,982.22         | -                                    | 3,856.14         |
| Interest on Advance from Staff                            |                                      | 4.29             |                                      | 7.36             |
| Interest Others#  | 11,655.58                            |                  | 11,471.63                            |                  |
| Less: Interest passed to Others                           | -                                    | 11,655.58        | -                                    | 11,471.63        |
| Rent  | 815.89                               |                  | 1,058.33                             |                  |
| Less: Expense related to Township                         | 186.91                               | 628.98           | 266.61                               | 791.72           |
| Share of Profit from Joint Venture                        |                                      | -                |                                      | 455.95           |
| Dividend on Liquid Cash Plan                              |                                      | 6.08             |                                      | 23.26            |
| Gain / Loss on Modification of Financial Asset/ Liability |                                      | 3.29             |                                      | -                |
| Net Gain/(Loss) on Sale of Assets*                        |                                      | 214.13           |                                      | 711.79           |
| Foreign Exchange Gain / (Loss)                            |                                      | 19.86            |                                      | (146.37)         |
| <b>Total</b>  |                                      | <b>18,029.19</b> |                                      | <b>20,592.60</b> |

\* Net gain on sale of assets in P.Y. includes amount realised from asset sold on Sub-Lease net off transfer of 50% unearned premium to Ministry of Housing and Urban Affairs.

\* In respect of HSCC, a subsidiary of the Parent interest income earned on client's fund and passed to client amounting to ₹ 250.81 lakh (P.Y. ₹ 844.60 lakh) during the year ended on March 31, 2021 calculated on estimation/provisional basis.

# Includes ₹ 10,900.19 Lakh (P.Y. ₹ 10,686.80 Lakh) as Interest on advance to MOHUA and ₹ 194.01 (P.Y. ₹ 35.11) as interest on advance to Rail Land Development authority.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -33

(₹ in lakh)

| Land Purchased & Materials Consumed    | For the year ended on March 31, 2021 |               | For the year ended on March 31, 2020 |               |
|--|--------------------------------------|---------------|--------------------------------------|---------------|
| Land Purchased                         |                                      | 122.44        |                                      | 777.53        |
| Material Cost                          |                                      |               |                                      |               |
| Inventory at the beginning of the year | 10.28                                |               | 14.20                                |               |
| Add: Purchases                         | 10.13                                |               | 43.34                                |               |
| Less: Inventory at the end of the year | 10.28                                |               | 14.20                                |               |
| Less: Transfers, Returns & Sales       | -                                    |               | -                                    |               |
| Add: Carriage & Freight Inward         | -                                    | 10.13         | -                                    | 43.34         |
| <b>Total</b>                           |                                      | <b>132.57</b> |                                      | <b>820.87</b> |

Note -34

(₹ in lakh)

| Change in Inventories of Real Estate Projects                            | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| <b>Land Bank:</b>  |                                      |                                      |
| Opening Balance  | 67,094.12                            | 66,441.53                            |
| Adjustments/ Transfers during the year                                   | -                                    | -                                    |
| Closing Balance  | 67,216.56                            | 67,094.12                            |
| <b>(Increase) / Decrease in Land Bank (A)</b>                            | <b>(122.44)</b>                      | <b>(652.59)</b>                      |
| <b>Work In Progress:</b>   |                                      |                                      |
| Opening Balance  | 69,304.45                            | 71,465.34                            |
| Adjustments/ Transfers during the year                                   | (44,218.45)                          | -                                    |
| Closing Balance  | 24,925.41                            | 69,304.45                            |
| <b>(Increase) / Decrease in Construction WIP (B)</b>                     | <b>160.59</b>                        | <b>2,160.89</b>                      |
| <b>Completed Projects:</b>   |                                      |                                      |
| Opening Balance  | 42,459.41                            | 45,586.63                            |
| Adjustments/ Transfers during the year                                   | 43,019.75                            | -                                    |
| Closing Balance  | 81,837.50                            | 42,459.41                            |
| <b>(Increase) / Decrease in Completed Project Inventory (C)</b>          | <b>3,641.66</b>                      | <b>3,127.22</b>                      |
| <b>Net (Increase) / Decrease in Inventories/ Work in Progress(A+B+C)</b> | <b>3,679.81</b>                      | <b>4,635.52</b>                      |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -35

(₹ in lakh)

| Work and Consultancy Expenses    | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Work Expenses (with material)    | 6,11,248.67                          | 7,22,374.42                          |
| Work Expenses (without material) | 10,027.76                            | 15,981.97                            |
| Consultancy                      | 1,443.33                             | 2,988.57                             |
| <b>Total</b>                     | <b>6,22,719.76</b>                   | <b>7,41,344.95</b>                   |

### Note -36

(₹ in lakh)

| Employee Benefits Expense                 | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Salaries and Incentives                   | 24,657.29                            | 25,407.62                            |
| Contributions to Provident and Other Fund | 2,100.73                             | 2,166.08                             |
| Contribution for Pension Fund             | 900.26                               | 953.96                               |
| Gratuity Fund Contributions               | 643.78                               | 553.90                               |
| Post Retirement Medical Benefit           | 490.57                               | 660.44                               |
| Leave Encashment                          | 1,410.39                             | 2,088.75                             |
| Travelling Allowance-Superannuation       | 5.54                                 | 7.48                                 |
| Staff Welfare Expenses                    | 671.09                               | 1,191.73                             |
| <b>Total</b>                              | <b>30,879.65</b>                     | <b>33,029.96</b>                     |

### Note -37

(₹ in lakh)

| Finance Costs       | For the year ended on March 31, 2021 | For the year ended on March 31, 2020 |
|---------------------|--------------------------------------|--------------------------------------|
| Interest Expenses * | 662.24                               | 668.61                               |
| <b>Total</b>        | <b>662.24</b>                        | <b>668.61</b>                        |

\* Includes Finance Cost related to Lease Liability.

4.45

6.31

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -38

(₹ in lakh)

| Other Expenses                                     | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| Advertisement                                      | 98.21                                   | 239.82                                  |
| Auditor's Remuneration                             | 102.13                                  | 101.23                                  |
| Bank Charges & Guarantee Commission                | 126.29                                  | 141.94                                  |
| Carriage & Freight (General)                       | 18.81                                   | 4.89                                    |
| Conference & Management Development Expenses       | 84.46                                   | 236.17                                  |
| CSR Expenditure                                    | 697.32                                  | 890.45                                  |
| Director's Sitting Fee                             | 5.05                                    | 7.35                                    |
| Entertainment                                      | 10.92                                   | 17.04                                   |
| Exchange (Gain) / Loss                             | 16.46                                   | (23.34)                                 |
| Hire Charges                                       | 124.58                                  | 114.14                                  |
| Insurance  | 26.57                                   | 27.93                                   |
| Internal Audit Expenses                            | 23.93                                   | 14.38                                   |
| Interest Others                                    | 724.41                                  | 31.55                                   |
| Legal & Professional Charges                       | 743.25                                  | 1,052.03                                |
| Miscellaneous Expenses                             | 719.11                                  | 796.09                                  |
| Other Consumables:                                 |   |   |
| (i) CSS  | 14.15                                   | 18.79                                   |
| (ii) Loose Tools                                   | 0.94                                    | 4.43                                    |
| (iii) Laboratory Equipments                        | 0.12                                    | 0.15                                    |
| (iv) Power & Fuel                                  | 11.62                                   | 11.49                                   |
| Postage & Telephone                                | 123.34                                  | 181.14                                  |
| Printing & Stationery                              | 111.21                                  | 234.61                                  |
| Impairment on Assets                               | 0.84                                    | -                                       |
| Provision for Loans & Advances                     | 239.38                                  | 359.81                                  |
| Provision for Impairment of Trade Receivables      | 1742.26                                 | 6,474.32                                |
| Provision for Impairment of Other Financial Assets | 373.39                                  | 2,018.20                                |
| Provision for Impairment of Inventories            | 2502.04                                 | 1,825.75                                |
| Provision for CSR Expenses                         | 770.54                                  | -                                       |
| Provision for Obsolescence                         | -                                       | 44.96                                   |
| Provision for Research & Development*              | -                                       | 384.11                                  |
| Provision for Impairment on Assets held for sale   | 13.08                                   | -                                       |
| Provision Others                                   | 5.00                                    | -                                       |
| Rates & Taxes                                      | 256.20                                  | 652.46                                  |
| Rent **  | 143.71                                  | 163.74                                  |
| Repairs & Maintenance                              |   |   |
| (i) Plant & Machinery/Vehicles                     | 40.93                                   | 44.38                                   |
| (ii) Buildings                                     | 446.89                                  | 508.63                                  |
| (iii) Others                                       | 351.11                                  | 130.18                                  |
| Running Expenses of Plant & Machinery/ Vehicles    | 117.61                                  | 152.78                                  |
| Travelling & Conveyance                            | 343.84                                  | 766.93                                  |
| Water, Electricity & Allied charges                | 207.02                                  | 303.95                                  |
| <b>Total</b>                                       | <b>11336.73</b>                         | <b>17,932.48</b>                        |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

\* Provision for Research & Development has been written back in accordance with Circular No. M-05/0012/2014-DPE MOU dated July 17, 2019.

\*\* Includes short term and Low value lease 56.18 78.44

### Note -38 A

(₹ in lakh)

| Payment to Auditors       | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|---------------------------|---|---|
| Audit fee                 | 63.47                                   | 62.04                                   |
| Tax Audit                 | 12.55                                   | 12.90                                   |
| Quarterly Limited Review  | 21.64                                   | 21.13                                   |
| Corporate Governance      | 2.56                                    | 2.50                                    |
| Reimbursement of Expenses | 1.91                                    | 2.66                                    |
| <b>Total</b>              | <b>102.13</b>                           | <b>101.23</b>                           |

### Note -39

(₹ in lakh)

| Write Offs             | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|------------------------|---|---|
| Trade Receivables      | 1,354.55                                | 386.05                                  |
| Loans and Advances     | 1,180.39                                | 145.42                                  |
| Investment             | -                                       | -                                       |
| Stores & WIP Inventory | 0.54                                    | 4.64                                    |
| Others                 | 2.12                                    | 54.28                                   |
| <b>Total</b>           | <b>2,537.60</b>                         | <b>590.39</b>                           |

### Note -40

(₹ in lakh)

| Income tax                           | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--------------------------------------|---|---|
| <b>Tax expense comprises of:</b>     |   |   |
| Current Income Tax                   | 6,382.76                                | 7,722.99                                |
| Deferred Tax                         | 731.89                                  | 12,654.75                               |
| MAT                                  | -                                       | -                                       |
| Taxation in Respect of Earlier Year* | (2,028.35)                              | (651.80)                                |
| <b>Total</b>                         | <b>5,086.30</b>                         | <b>19,725.94</b>                        |

\* The parent company, during the current financial year, has revised its Income-tax return for the financial year 2018-19 and filed its Income-tax return for the financial year 2019-20 which have resulted in reduction in provision for income tax for the current financial year by ₹ 1,975.88 lakh (net). Necessary corrective entries with regard to the same have been passed during the current financial year and the differential impact has been disclosed under the head "Taxation in respect of earlier years". Correspondingly, deferred tax assets for the current financial year have also been reduced by ₹ 230.63 lakh (net).



Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

**Note -40 A : Uncertainty over income tax treatment in case of HSCC, a subsidiary of the parent**

**a. Appeal pending before Income Tax Appellate Tribunal of FY 2013-14 (AY 2014-15)**

The income tax return of FY 2013-14 (AY 2014-15) went under scrutiny assessment as per the section 143 of Income Tax Act, 1961. The company had claimed the net refund of ₹ 232.60 lakh in income tax return of said year. The assessing officer had passed adhoc order and reduced the refund to zero. The company went before the CIT (Appeals) against the order of assessing officer. The CIT (Appeals) maintained the order of assessing officer and accepted the no refund order of assessing officer. The company had filed appeal before the Income Tax Appellate Tribunal against the order of CIT (Appeals). The case has still undecided. However, the company has made a contingent liability of ₹ 42.14 lakh. The company believes that the orders of CIT (Appeals) will not be maintainable and it is probable that it would successfully defend the ground of appeal before Income Tax Appellate Tribunal. Hence, the company has not recognised any amount in respect of such uncertainty.

**b. Scrutiny Assessment of FY 2017-18 (AY 2018-19)**

The income tax department send the Intimation u/s 143(1) of Income Tax Act, 1961 showing additions to taxable income and disallowance of credit of dividend distribution presented in income tax return of said year. The same adjustment has been confirmed in scrutiny assessment u/s 143(3) of Income Tax Act, 1961. The income tax department has raised the demand of ₹ 318.27 lakh (after adjusting refund ₹ 112.75 lakh). The company has filed an appeal against such order before CIT (Appeals). The case has still undecided. However, the company has made a contingent liability of ₹ 431.02 lakh. The company believes that the orders of assessing officer will not be maintainable and it is probable that it would successfully defend the ground of appeal before CIT (Appeals) on the basis of interpretations of tax law, facts of the case and prior experience of litigations. Hence, the company has not recognised any amount in respect of such uncertainty.

**c. Expense claimed on provisional/estimation basis**

During the FY 2020-21, the company has earned the interest income on the fund lying in pool account on behalf of client and transferred to client's fund (expenditure) of ₹ 250.81 lakh (Previous Year ₹ 844.60 lakh) (See Note no. 32). The said expenditure is calculated on estimation/provisional basis which is disallowable by income tax department. In order to save future penalty/interest, the company will be paying current tax through disallowing the said expenditure and simultaneously creating deferred tax asset in tax computation. The final deduction will be claimed whenever the actual interest will be claimed by the client. Hence, there will always be uncertainty over income tax base of ₹ 1,095.41 lakh (₹ 844.60 lakh + 250.81 lakh) and consequently on current tax expense as well as deferred tax expense on it.

**Note -40 B**

The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Statement of Profit & Loss are as follows:

(₹ in lakh)

| Tax Reconciliation                                      | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|---|---|---|
| Accounting Profit before Tax from Continuing Operations | 28,710.75                               | 29,712.70                               |
| Accounting Profit before Income Tax                     | 28,710.75                               | 29,712.70                               |
| At India's Statutory Income Tax Rate                    | 25.168%                                 | 25.168%                                 |
| Income Tax  | 7,225.93                                | 7,478.09                                |
| Tax effect due to Non-Taxable Income                    | 593.57                                  | (142.19)                                |
| Effect of Tax Incentive                                 | -                                       | (34.69)                                 |
| Tax effect of deduction u/s 80M                         | (593.65)                                | -                                       |
| Recognition of Previous Year Tax Losses                 | 59.08                                   | (4,351.74)                              |
| Effect of Taxability of Notional Rent                   | 134.24                                  | 45.70                                   |
| Effect of reversal of provision                         | (267.23)                                | -                                       |
| Effect of Derogation of Deferred Tax                    | (754.86)                                | 4.61                                    |
| Effect of Non-Deductible Expenses                       | 855.56                                  | 659.60                                  |
| Tax effect of Foreign Taxation                          | 422.45                                  | 76.59                                   |
| Tax effect of Other Comprehensive Income                | (334.68)                                | (102.83)                                |
| Tax effect of Uncertainties over Income Tax Treatment   | 9.22                                    | 20.79                                   |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

| Tax Reconciliation   | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| Difference in Domestic & Overseas Tax Rates                            | (234.03)                                | (140.86)                                |
| Difference in Tax Rates applicable to Holding & Subsidiaries Tax Rates | (10.54)                                 | (0.31)                                  |
| Effect due to Change in deferred tax rate                              | 9.59                                    | 16,864.98                               |
| Tax in respect of Earlier Years  | (2,028.35)                              | (651.80)                                |
| <b>Tax Expense</b>   | <b>5,086.30</b>                         | <b>19,725.94</b>                        |
| <b>Actual Tax Expense</b>  | <b>5,086.30</b>                         | <b>19,725.94</b>                        |

### Note -41

(₹ in lakh)

| Other Comprehensive Income   | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>A) Items that will not be reclassified into Profit &amp; Loss</b> |   |   |
| Remeasurement Gains / (Losses) on Defined Benefit Plans              | (1,320.62)                              | 408.59                                  |
| Income Tax related to above  | 332.37                                  | (102.83)                                |
| <b>B) Items that will be reclassified into Profit &amp; Loss</b>     |   |   |
| Exchange difference on translation of Foreign Operations             | (56.91)                                 | 209.72                                  |
| Income Tax related to above  | 18.07                                   | (70.61)                                 |
| <b>Total</b>   | <b>(1,027.09)</b>                       | <b>444.87</b>                           |

### Note -42

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind As-33) on "Earning per Share"

(₹ in lakh)

| Earnings per Equity Share  | For the year ended on<br>March 31, 2021 | For the year ended on<br>March 31, 2020 |
|--|---|---|
| <b>Profit attributable to Equity Holders</b>                                     |   |   |
| Continuing Operations  | 22,180.04                               | 7,823.35                                |
| Discontinued Operation   | -                                       | -                                       |
| <b>Profit attributable to Equity Holders for basic Earnings</b>                  | <b>22,180.04</b>                        | <b>7,823.35</b>                         |
| <b>Profit attributable to Equity Holders adjusted for the effect of dilution</b> | <b>22,180.04</b>                        | <b>7,823.35</b>                         |
| Weighted average number of Equity shares for basic EPS*                          | 1,80,00,00,000                          | 1,80,00,00,000                          |
| Face Value per Equity Share (₹)  | 1.00                                    | 1.00                                    |
| <b>Earnings per Equity Share (for continuing operation):</b>                     |   |   |
| (1) Basic (in ₹)   | 1.23                                    | 0.43                                    |
| (2) Diluted (in ₹)   | 1.23                                    | 0.43                                    |

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -43

(₹ in lakh)

| Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for)   | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| <b>(A) Contingent Liabilities:</b>   |                      |                      |
| (a) Claims against the Group not acknowledged as debts. Counter claims of the Corporation against these claims amounting to ₹ 4512.78 lakh (Previous Year ₹ 3805.19 lakh) not accounted for in books.  | 96,021.45            | 90,407.80            |
| (b) Demand in respect of taxes not accepted by company:  |                      |                      |
| i) Value Added Tax Including Interest & Penalty as per demand notice order (the Group is contesting these demands)   | 55,389.72            | 61,511.27            |
| ii) Goods and Services Tax (as per ruling of Delhi Authority of Advance Ruling, The MoHUA, Govt. of India is not exempt from payment of GST on sale of Commercial built-up space, as it does not relate to any function entrusted to a municipality under article 243w of the Constitution and the Group is also liable to pay GST on sale of Commercial built-up area which is recoverable from customer as per terms of sale).   | 3,808.57             | 2,205.36             |
| ii) Service Tax (Group is contesting demands)  | 10,717.86            | 13,463.32            |
| iii) Central Excise (Group is contesting demands)  | 85.67                | 85.67                |
| <b>Income Tax :</b>  |                      |                      |
| iv) Demands raised by Income Tax Department but not accepted by the Group.   | 518.81               | 478.91               |
| v) Appeals decided in favour of Group but department has filed further appeals   | 1,317.10             | 885.94               |
| vi) Property Tax deposited under Protest   | 686.81               | 686.81               |
| vii) Demand by SDMC for Additional FAR at NBCC Plaza Pushp Vihar   | 3,224.00             | -                    |
| viii) Employee Provident Fund demand ( Group is contesting Demand )  | 159.35               | 159.35               |
| ix) Employee State Insurance demand (Group is contesting Demand)   | 1.83                 | 1.83                 |
| x) Enhanced Compensation for institutional Plot, HUDA, Faridabad   | 416.02               | 416.02               |
| <b>(c) Guarantees.</b>   |                      |                      |
| (i) Bank Guarantees for performance, Earnest Money Deposits and Security Deposits  | 60,310.94            | 64,930.49            |
| (ii) Performance Bank Guarantee Jaypee Infratech Limited (Refer Note No 56)*   | 10,000.00            | 10,000.00            |
| (iii) The Govt. guarantee charges on internal / external borrowings have not been accounted for as the matter regarding waiver of these charges has been taken up with the Govt. of India, Ministry of Urban Development (MOUD).   | 1,654.93             | 1,654.93             |
| (d) Recovery at penal rate on account of excess consumption of material over theoretical norms for the materials supplied by the clients at issue price and free of cost, pending final settlement with the clients.   | NOT ASCERTAINABLE    | NOT ASCERTAINABLE    |
| <b>(B) Contingent Assets:-</b>   |                      |                      |
| i) Value Added Tax Including Interest & Penalty (Refer Note 44 (A) (b) (i) ) is fully payable by the Client in the event of confirmation of demand.  | 40,480.10            | 40,480.10            |
| ii) Goods and Service Tax (as per ruling of Delhi Authority of Advance Ruling, The MoHUA, Govt. of India is not exempt from payment of GST on sale of Commercial built-up space, as it does not relate to any function entrusted to a municipality under article 243w of the Constitution and the Group is also liable to pay GST on sale of Commercial built-up area which is recoverable from customer as per terms of sale. Refer Note 44 (A) (b) (ii) is fully recoverable from Customers as per terms of sale). | 2,205.36             | 2,205.36             |
| iii) Claims against the various party  | 3.55                 | 479.56               |
| <b>(C) Commitments:-</b>   |                      |                      |
| (i) Capital Commitments for the acquisition of Capital Assets is ₹ 104.09 (P.Y. ₹ NIL Lakh)  |                      |                      |
| (ii) The company has purchased a building space which are still pending for registration and the cost of registrations charges would approximately be ₹ 500 lakh and has entered contract for new interior work being constructed at Okhla Building amounting to ₹ 192 lakh out of which ₹ 76.37 lakh (P.Y. Nil) has been incurred (refer note 3)  |                      |                      |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

\* Consequent of the order dated March 24, 2021 of the Hon'ble Supreme Court, the Performance Bank Guarantee of Rs 100,00.00 Lakh submitted by group along with its Resolution Plan Dated December 03, 2019 has been returned by the Interim Resolution Professional (IRP) along with discharge letter dated May 26, 2021. (Refer Note 56 (B) (i))

### Additional Disclosure of Contingent Liabilities for HSCC, a subsidiary of the parent:-

- A As on March 31, 2021 outstanding amount of Foreign Letters of Credit ₹ 1979.99 Lakh (PY ₹ 516.94 Lakh) opened in favour of suppliers for and on behalf of ministries /clients. However, the management does not foresee any liability on the company in these cases.
- B The company is in the process of filling application before the AO for cancellation of outstanding TDS demand amounting to ₹ 12.73 lakh.
- C The company is contingently Liable in respect of employees who have been suspended and no provision has been made in respect of liability that may arise after the decision of the disciplinary inquiry as the amount is unascertained.

### Note -44

#### Dividend and Reserves

(₹ in lakh)

| Distribution Made and Proposed                          | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| <b>Cash Dividends on Equity Share declared and Paid</b> |                      |                      |
| Final Dividend  | 3,349.24             | 12,831.90            |
| Dividend Distribution Tax on Final Dividend             | -                    | 2,406.59             |
| <b>Total</b>  | <b>3,349.24</b>      | <b>15,238.49</b>     |

Proposed Dividend for the year 2020-21:

#### A) NBCC (India) Limited

Proposed Dividend ₹ 0.47 per share on face value of ₹ 1.00 per share (Previous year ₹ 0.135 per share on face value of ₹ 1.00 per share)

#### B) Hindustan Steelworks Construction Limited

Proposed Dividend ₹ 0.49 per share on face value of ₹ 10.00 per share (Previous year ₹ 1.71 per share on face value of ₹ 10.00 per share)

#### C) NBCC Services Limited (NSL)

Proposed Dividend ₹ 12.50 per share on face value of ₹ 10.00 per share (previous year ₹ 2.00 per share on face value of ₹ 10 per share)

#### D) HSCC India Limited (HSCC)

The board of director has proposed the final dividend of ₹ 216.05 per equity share and it is subject to approval of shareholders in their general meeting of the company.

E) Proposed Dividend is subject to approval of Shareholders in ensuing annual general meeting of the Company.

### Note -45

As required by Ind AS "Related Party Disclosure" are given below-

#### Related party transactions :

##### 1. Relationship with Entities

##### Details of Joint Ventures (JV) / Associate Entities

- |                       |  |
|-----------------------|--|
| 1. NBCC – MHG         | 2. NBCC - AB   |
| 3. NBCC - R.K. Millen | 4. Real Estate Development & Construction Corporation of Rajasthan Limi ed |

##### 2. Relationship with Entities

##### Details of Subsidiaries

- |  |   |
|--|---|
| 1. NBCC Services Limited (NSL)                 | 2. NBCC Engineering & Consultancy Limited (NECL)*   |
| 3. NBCC Environment Engineering Limited (NEEL) | 4. NBCC International Limited (NIL)                 |
| 5. HSCC (INDIA) Limited (HSCC)                 | 6. Hindustan Steelworks Construction Limited (HSCL) |
| 7. NBCC Gulf L.L.C#                            | 8. NBCC DWC LLC- Dubai                              |

\* The group lost its control over the subsidiary company NBCC Engineering & Consultancy Limited (NECL) w.e.f. 19.02.2021.

# The group lost its control over the subsidiary company NBCC Gulf LLC w.e.f. 02.07.2020

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

**3. Key Managerial Personnel (KMP)**

**Parent Company :**

**A. Whole Time Directors/Chief Financial Officer/ Company Secretary**

1. Shri Pawan Kumar Gupta (Chairman & Managing Director)
2. Shri Rajendra Chaudhari, Director (Commercial)
3. Shri Neelesh M Shah, Director (Projects)
4. Smt. B. K. Sokhey, (Director Finance)
5. Smt Deepti Gambhir (Company Secretary)

**B. Independent Directors**

1. Dr. Jyoti Kiran Shukla

**C. Government Nominee Directors**

1. Shri Kamran Rizvi
2. Shri Shyam Sunder Dubey

**Key Managerial Personnel (KMP)**

**Subsidiary Company :**

**NBCC Services Limited :**

**A. Whole Time Directors/Chief Financial Officer / Company Secretary**

1. Shri Novman Ahmed, CEO
2. Shri Amarnath Mourya, CFO

**B. Parent Nominee Directors**

1. Shri Neelesh M Shah, Chairman
2. Smt. B. K. Sokhey, Director (upto January 31, 2021)
3. Shri Rakesh Gupta, Director
4. Shri M. B. Singhal (w.e.f. February 1, 2021)

**Hindustan Steelworks Construction Limited**

**A. Whole Time Directors / Chief Financial Officer / Company Secretary**

1. Shri T L N Reddy, Managing Director (w.e.f March 1, 2021)
2. Shri Rajendra Chaudhari, Managing Director additional charge (upto March 1, 2021)
3. Shri Rajendra Chaudhari, Director (Finance), Additional Charge (w.e.f August 17, 2020 upto February 16, 2021)
4. Smt. B K Sokhey, Director (Finance), Additional Charge (upto August 16 , 2020)
5. Shri K.P Mahadeva Swamy, Chief Executive Officer
6. Shri S S Pakhiaraj, Chief Financial Officer (w.e.f 25th May 2019)
7. Smt. Ruchi Gupta, Company Secretary (w.e.f August 10 2018)

**B. Independent Directors**

1. Shri. Pennathur Subramanian Prabhakar

**C. Government Nominee Directors**

1. Shri Pawan Kumar Gupta, Chairman
2. Shri Rahul Kashyap, Director (MOUD, DD)

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### HSCC India Limited

#### A. Whole Time Directors / Chief Financial Officer / Company Secretary

1. Shri Gyanesh Pandey (Managing Director)
2. Shri. Suresh Chandra Garg, Director (Engineering)
3. Shri M.C Bansal, Chief Finance Officer
4. Smt Sonia Singh, Company Secretary

#### B. Independent Directors

1. Smt. Vinod Panthi,
2. Dr. Jyoti Kiran Shukla (w.e.f. April 27, 2020)

#### C. Government Nominee Directors

1. Shri Pawan Kumar Gupta, Chairman
2. Smt. D Thara

### NBCC Engineering & Consultancy Limited :

#### A. Whole Time Directors / Chief Financial Officer / Company Secretary

1. Smt. Annu Garg, CEO
2. Shri Abhay Prasad, CFO

#### B. Parent Nominee Directors

1. Shri Neelesh M. Shah, Chairman
2. Shri Rakesh Garg, Director (w.e.f. June 12, 2020)
3. Shri M.B. Singhal, Director
4. Shri N.P. Aggarwal, Director (upto April 30, 2020)

### NBCC Gulf LLC :

#### A. Parent Nominee Directors

1. Shri Yogesh Sharma, Director
2. Shri Rajendra Chaudhari
3. Shri Hrishikesh Kumar

### NBCC International Limited

#### A. Whole Time Directors / Chief Financial Officer / Company Secretary

1. Shri S. Mohan Kumar, CEO

#### B. Parent Nominee Directors

1. Shri Rajendra Chaudhari, Chairman
2. Shri Yogesh Sharma, Director
3. Shri Hrishikesh Kumar (w.e.f. January 22, 2021)
4. Smt. B. K. Sokhey, Director (upto January 22, 2021)

### NBCC Environment Engineering Limited

#### A. Parent Nominee Directors

1. Shri Rajendra Chaudhari, Chairman
2. Shri Yogesh Sharma, Director
3. Shri M.B. Singhal, Director

### NBCC DWC-LLC

#### A. Parent Nominee Directors

1. Shri Yogesh Sharma, Director

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Details relating to the Key Managerial Personnel

(₹ in lakh)

| Key Managerial Personnel   | For the year ending on March 31, 2021 |                          |                                   |                    |              |   |
|--|---------------------------------------|--------------------------|-----------------------------------|--------------------|--------------|---|
|  | Short Term Employee Benefits          | Post Employment Benefits | Other Long Term Employee Benefits | Total Remuneration | Sitting Fees | O/s Loans (Gross / Advance Receivables) |
| <b>Parent Company</b>  |                                       |                          |                                   |                    |              |   |
| <b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b> |                                       |                          |                                   |                    |              |   |
| Shri P K Gupta   | 53.61                                 | 5.85                     | 7.80                              | 67.26              | -            | -                                       |
| Shri Rajendra Chaudhari  | 59.46                                 | 6.07                     | 6.66                              | 72.19              | -            | -                                       |
| Shri Neelesh Shah  | 55.41                                 | 5.62                     | 5.97                              | 67.00              | -            | -                                       |
| Smt Baldev Kaur Sokhey   | 48.65                                 | 4.95                     | 4.96                              | 58.56              | -            | -                                       |
| Smt Deepti Gambhir   | 25.09                                 | 2.89                     | 4.38                              | 32.36              | -            | -                                       |
| <b>B. Independent Directors</b>  |                                       |                          |                                   |                    |              |   |
| Shri Jyoti Kiran Shukla  | -                                     | -                        | -                                 | -                  | 3.95         | -                                       |
| <b>Total</b>   | <b>242.22</b>                         | <b>25.38</b>             | <b>29.77</b>                      | <b>297.37</b>      | <b>3.95</b>  | <b>-</b>                                |
| <b>HSCC (India) Limited</b>  |                                       |                          |                                   |                    |              |   |
| <b>A. Whole Time Directors / Chief Financial Officer / Company Secretary</b> |                                       |                          |                                   |                    |              |   |
| Shri Gyanesh Pandey, Managing Director                                       | 46.38                                 | 7.20                     | (0.77)                            | 52.81              | -            | -                                       |
| Sri Suresh Chandra Garg, Director (Engineering)                              | 33.91                                 | 5.31                     | 3.08                              | 42.30              | -            | -                                       |
| Shri Mahesh Chand Bansal, Chief Financial Officer                            | 30.48                                 | -                        | -                                 | 30.48              | -            | -                                       |
| Smt Sonia Singh, Company Secretary   | 6.52                                  | 1.24                     | 0.38                              | 8.14               | -            | -                                       |
| Smt. Vinod Panthi  | -                                     | -                        | -                                 | -                  | 0.60         | -                                       |
| Dr. Jyoti Kiran Shukla   | -                                     | -                        | -                                 | -                  | 0.50         | -                                       |
| <b>Total</b>   | <b>117.29</b>                         | <b>13.76</b>             | <b>2.69</b>                       | <b>133.73</b>      | <b>1.10</b>  | <b>-</b>                                |
| <b>NBCC Services Limited</b>   |                                       |                          |                                   |                    |              |   |
| Shri Novman Ahmed, Chief Executive Officer                                   | 30.31                                 | 2.95                     | 3.41                              | 36.66              | -            | -                                       |
| Shri Amarnath Mourya, Chief Financial Officer                                | 26.39                                 | 2.76                     | 3.20                              | 32.35              | -            | -                                       |
| <b>Total</b>   | <b>56.70</b>                          | <b>5.71</b>              | <b>6.61</b>                       | <b>69.01</b>       | <b>-</b>     | <b>-</b>                                |
| <b>Hindustan Steelworks Construction Limited</b>                             |                                       |                          |                                   |                    |              |   |
| Shri TLN Reddy, Managing Director (w.e.f. March 1, 2021)                     | 2.56                                  | 0.40                     | 0.34                              | 3.30               | -            | -                                       |
| Shri Puttaswamy Mahadevaswamy Kellanbally, Chief Executive Officer           | 22.55                                 | 2.85                     | 3.32                              | 28.72              | -            | -                                       |
| Shri S Pakiaraj, Chief Financial Officer                                     | 17.40                                 | 1.71                     | 2.28                              | 21.39              | -            | -                                       |
| Shri Pennathur Subramaniam Prabhakar (Independent Director)                  | -                                     | -                        | -                                 | -                  | 2.25         | -                                       |
| <b>Total</b>   | <b>42.51</b>                          | <b>4.96</b>              | <b>5.94</b>                       | <b>53.41</b>       | <b>2.25</b>  | <b>-</b>                                |

HSCL-SIPL arrangement is not in the nature of 'Joint Venture'. The arrangement has also been discontinued and hence lacks commercial substance and economic reality. There is no Board of Directors for the said arrangement and the arrangement has not been legally incorporated as an SPV. Thus the arrangement does not fall within the definition of 'subsidiary' u/s 2(87) of the Companies Act 2013 and consequently provisions of section 129(3) of the Companies Act 2013 on consolidation of financial statements will not be attracted in this case.

The company is a government company under the aegis of Ministry of Housing and Urban Affairs. 61.75% of the share holding in the company as at March 31, 2021 is held by President of India.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

The Company is having six fully owned subsidiary and two partly owned subsidiary over which government exercise direct/indirect control by holding more than 50% of the voting power.

In accordance with para 25 of Indian Accounting Standard (Ind As - 24) Related Party Disclosure, no disclosure is required for Subsidiary Companies/ Joint Venture Entities which can be treated as state controlled enterprises( i.e ownership by Central/ State Government, directly or Indirectly, is more than 50% of voting rights )

The company generally enter into transactions with the subsidiary companies at arm's length price in the normal course of business which includes the purchase and sale of properties, rendering of services and secondment of employees.

### Details relating to the parties referred to in item No. 1 above:

(₹ in lakh)

| Particulars                      | For the year ended on March 31, 2021 |           |       |                    |
|----------------------------------|--------------------------------------|-----------|-------|--------------------|
|                                  | NBCC - MHG                           | NBCC - AB | REDCC | NBCC - R.K. Millen |
| <b>Nature of Transaction :</b>   |                                      |           |       |                    |
| Amount Received                  | -                                    | -         | -     | -                  |
| Amount Paid                      | -                                    | -         | 4.75  | -                  |
| Advances for works               | -                                    | -         | -     | -                  |
| Share of Profit from J.V         | 14.00                                | -         | -     | -                  |
| Repayment of Investments         | -                                    | -         | -     | -                  |
| <b>(B) Outstanding Balances:</b> |                                      |           |       |                    |
| Amount Receivable (Payable)      | -                                    | 1,060.59  | 5.30  | -                  |

(₹ in lakh)

| Particulars                      | For the year ended on March 31, 2020 |           |       |                    |
|----------------------------------|--------------------------------------|-----------|-------|--------------------|
|                                  | NBCC - MHG                           | NBCC - AB | REDCC | NBCC - R.K. Millen |
| <b>Nature of Transaction :</b>   |                                      |           |       |                    |
| Amount Received                  | 257.49                               | -         | -     | -                  |
| Amount Paid                      | -                                    | -         | 5.12  | -                  |
| Advances for works               | -                                    | -         | -     | -                  |
| Share of Profit from J.V         | 63.00                                | -         | -     | -                  |
| Repayment of Investments         | -                                    | -         | -     | -                  |
| <b>(B) Outstanding Balances:</b> |                                      |           |       |                    |
| Amount Receivable (Payable)      | -                                    | 1,060.59  | 0.55  | -                  |

## Note -46

### Interest in Other Entities

#### (A) Subsidiaries

The Parent's subsidiaries at March 31,2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Parent, and the proportion of ownership interests held equals the voting rights held by the Parent. The country of incorporation or registration is also their principal place of business.



Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

| Name of Entity                                   | Country of Incorporation | Functional Currency | Ownership interest held by the Parent |                | Principal Activities |
|--|--------------------------|---------------------|---------------------------------------|----------------|----------------------|
|  |                          |                     | March 31, 2021                        | March 31, 2020 |                      |
| Hindustan Steelworks Construction Limited (HSCL) | India                    | INR                 | 51%                                   | 51%            | Construction Work    |
| HSCC (India) Limited                             | India                    | INR                 | 100%                                  | 100%           | Consultancy Work     |
| NBCC Services Limited                            | India                    | INR                 | 100%                                  | 100%           | Maintenance Work     |
| NBCC Engineering & Consultancy Limited*          | India                    | INR                 | 100%                                  | 100%           | Consultancy Work     |
| NBCC GULF L.L.C.*                                | Oman                     | Omani Rial          | 70%                                   | 70%            | Consultancy Work     |
| NBCC International Limited                       | India                    | INR                 | 100%                                  | 100%           | Construction Work    |
| NBCC DWC - LLC                                   | Dubai                    | AED                 | 100%                                  | 100%           | Construction Work    |
| NBCC Environment Engineering Limited             | India                    | INR                 | 100%                                  | 100%           | Consultancy Work     |

**Subsidiary with material Non-Controlling Interests**

The Group includes two subsidiary, Hindustan Steelworks Construction Limited & NBCC Oman Gulf, with material non-controlling interests (NCI):

(₹ in lakh)

| Name                                      | Proportion of ownership interests and voting rights held by the NCI |                | Total Comprehensive Income allocated to NCI |                | Accumulated NCI |                |
|---|---|----------------|---|----------------|-----------------|----------------|
|   | March 31, 2021  | March 31, 2020 | March 31, 2021                              | March 31, 2020 | March 31, 2021  | March 31, 2020 |
| Hindustan Steelworks Construction Limited | 49.00%  | 49.00%         | 1,429.36                                    | 1,679.02       | 16,012.31       | 14,766.96      |
| NBCC GULF L.L.C                           | 30.00%  | 30.00%         | -   | (29.93)        | -               | 64.81          |

\*Refer note no. 55

(a) Dividend paid by the subsidiary to the non-controlling interests during the financial year 2020-21 ₹ 919.24 Lakh (Previous Year ₹ 1131.90).

(b) Summarised Financial Information for Hindustan Steelworks Construction Limited & NBCC Gulf L.L.C, before intragroup eliminations, is set out below:

(₹ in lakh)

| Particulars  | March 31, 2021                            |                   | March 31, 2020                            |                  |
|--|---|-------------------|---|------------------|
|  | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C.* | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C. |
| Non-Current Assets                                 | 24,000.10                                 | -                 | 27,490.61                                 | -                |
| Current Assets                                     | 1,19,506.17                               | -                 | 124,025.36                                | 223.19           |
| <b>Total Assets (A)</b>                            | <b>1,43,506.27</b>                        | -                 | <b>151,515.97</b>                         | <b>223.19</b>    |
| Non-Current Liabilities                            | 19,835.61                                 | -                 | 20,951.58                                 | -                |
| Current Liabilities                                | 90,992.45                                 | -                 | 98,925.07                                 | 2.99             |
| <b>Total Liabilities (B)</b>                       | <b>1,10,828.06</b>                        | -                 | <b>119,876.65</b>                         | <b>2.99</b>      |
| <b>Net Assets C= (A-B)</b>                         | <b>32,678.21</b>                          | -                 | <b>31,639.32</b>                          | <b>220.20</b>    |
| <b>Equity Attributable to Owners of the Parent</b> | <b>16,665.89</b>                          | -                 | <b>16,136.05</b>                          | <b>154.11</b>    |
| <b>Non - Controlling Interests</b>                 | <b>16,012.32</b>                          | -                 | <b>15,503.27</b>                          | <b>66.09</b>     |

\* Date of Loss of Control July 2, 2020.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

(₹ in lakh)

| Particulars  | March 31, 2021                            |                   | March 31, 2020                            |                  |
|--|---|-------------------|---|------------------|
|  | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C.* | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C. |
| <b>Revenue</b>   |   |                   |   |                  |
| Profit for the year attributable to owners of the Parent                     | 1,503.47                                  | -                 | 2,254.23                                  | (5.62)           |
| Profit for the year attributable to NCI                                      | 1,444.51                                  | -                 | 2,165.82                                  | (2.41)           |
| <b>Profit for the Year</b>   | <b>2,947.98</b>                           | <b>-</b>          | <b>4,420.05</b>                           | <b>(8.03)</b>    |
| <b>Other Comprehensive Income for the year</b>                               |   |                   |   |                  |
| Other Comprehensive Income for the year attributable to owners of the parent | (16.90)                                   | -                 | (67.59)                                   | 8.60             |
| Other Comprehensive Income for the year attributable to NCI                  | (16.23)                                   | -                 | (64.93)                                   | 3.68             |
| <b>Other Comprehensive Income for the year</b>                               | <b>(33.13)</b>                            | <b>-</b>          | <b>(132.52)</b>                           | <b>12.28</b>     |
| <b>(All attributable to owners of the parent)</b>                            |   |                   |   |                  |
| Total Comprehensive Income for the year attributable to owners of the parent | 1,486.57                                  | -                 | 2,186.64                                  | 2.98             |
| Total Comprehensive Income for the year attributable to NCI                  | 1,428.28                                  | -                 | 2,100.89                                  | 1.27             |
| <b>Total comprehensive income for the year</b>                               | <b>2,914.85</b>                           | <b>-</b>          | <b>4,287.53</b>                           | <b>4.25</b>      |

\* Date of Loss of Control July 2, 2020.

**Summarised Cash Flow for Hindustan Steelworks Construction Limited & NBCC Gulf L.L.C, before intragroup eliminations, is set out below:**

(₹ in lakh)

| Particulars  | March 31, 2021                            |                   | March 31, 2020                            |                  |
|--|---|-------------------|---|------------------|
|  | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C.* | Hindustan Steelworks Construction Limited | NBCC Gulf L.L.C. |
| Cash Flows from Operating Activities                         | 1,070.01                                  | -                 | (22,606.12)                               | (319.46)         |
| Cash Flows from Investing Activities                         | 4,786.38                                  | -                 | 1,883.65                                  | -                |
| Cash Flows from Financing Activities                         | (1,888.69)                                | -                 | (2,797.61)                                | -                |
| <b>Net increase/ (decrease) in Cash and Cash Equivalents</b> | <b>3,967.70</b>                           | <b>-</b>          | <b>(23,520.08)</b>                        | <b>(319.46)</b>  |

\* Date of Loss of Control July 2, 2020.

### (B) Associates and Joint Ventures

Set out below are the associates and joint ventures of the group as at March 31, 2021 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

| Name of Entity   | Place of business | Functional Currency | Ownership Interest held by the Group |                | Relationship  |
|--|-------------------|---------------------|--------------------------------------|----------------|---------------|
|  |                   |                     | March 31, 2021                       | March 31, 2020 |               |
| NBCC – MHG J.V.  | India             | INR                 | 50%                                  | 50%            | Joint Venture |
| NBCC – AB J.V.   | India             | INR                 | 50%                                  | 50%            | Joint Venture |
| Real Estate Development and Construction Corporation of Rajasthan Limited. | India             | INR                 | 50%                                  | 50%            | Joint Venture |

**Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021**

The Group's management has determined that due to dispute with the other shareholder in NBCC RK Millen and HSCL-SIPL JV, the Group does not exercise Joint Control over the two Joint Ventures and therefore feels it is more appropriate to show it an investment as a long term asset in Balance Sheet.

**(a) Total Distribution of ₹ 14.00 lakh is received from above mentioned entities.**

**(b) Summarised Financial Information for Joint Venture's is set out below:**

(₹ in lakh)

| Particulars   | NBCC – MHG      |                 | NBCC – AB       |                 | REDCCL         |                |
|---|-----------------|-----------------|-----------------|-----------------|----------------|----------------|
|   | March 31, 2021  | March 31, 2020  | March 31, 2021  | March 31, 2020  | March 31, 2021 | March 31, 2020 |
| Non-Current Assets  | 124.15          | 120.75          | -               | -               | 0.50           | 0.50           |
| Current Assets  | 4,980.71        | 5,292.92        | 1,595.05        | 1,595.01        | 387.56         | 366.75         |
| <b>Total Assets (A)</b>   | <b>5,104.86</b> | <b>5,413.67</b> | <b>1,595.05</b> | <b>1,595.01</b> | <b>388.06</b>  | <b>367.25</b>  |
| Non-Current Liabilities   | -               | -               | -               | -               | -              | -              |
| Current Liabilities   | 2,367.93        | 2,594.27        | 1,094.02        | 1,093.69        | 13.81          | 8.09           |
| <b>Total Liabilities (B)</b>  | <b>2,367.93</b> | <b>2,594.27</b> | <b>1,094.02</b> | <b>1,093.69</b> | <b>13.81</b>   | <b>8.09</b>    |
| <b>Net Assets C= (A-B)</b>  | <b>2,736.93</b> | <b>2,819.40</b> | <b>501.03</b>   | <b>501.32</b>   | <b>374.25</b>  | <b>359.16</b>  |
| a) Includes Cash and Cash Equivalents   | 32.22           | 69.40           | 0.41            | 0.06            | 377.22         | 5.01           |
| b) Includes Financial Liabilities (excluding Trade and Other Payables and Provisions) | -               | -               | 1.08            | 1.08            | 5.31           | 0.55           |

**(c) Summarised Statement of Profit & Loss for Joint Venture's is set out below:**

(₹ in lakh)

| Particulars   | NBCC – MHG     |                | NBCC – AB      |                | REDCCL         |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
|   | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Revenue   | 133.64         | 997.97         | -              | -              | -              | -              |
| Interest Income   | 53.40          | 89.77          | 0.02           | 0.03           | 22.31          | 25.30          |
| Interest Expense  | -              | -              | -              | -              | -              | -              |
| Depreciation and Amortisation                             | -              | -              | -              | -              | -              | -              |
| Tax expense   | (0.29)         | 95.93          | 0.01           | -              | 5.31           | 3.18           |
| <b>Profit and Total Comprehensive Income for the year</b> | <b>(54.47)</b> | <b>153.30</b>  | <b>(0.30)</b>  | <b>0.03</b>    | <b>15.09</b>   | <b>18.24</b>   |

**(d) Reconciliation of carrying amounts is set out below:**

(₹ in lakh)

| Particulars                                | NBCC – MHG      | NBCC – AB     | REDCCL        |
|--|-----------------|---------------|---------------|
| Opening Net Assets (April 01, 2019)        | 2,792.11        | 128.14        | 340.92        |
| Profit for the year                        | 153.30          | 0.02          | 18.24         |
| Capital addition                           | -               | 373.17        | -             |
| Capital Distribution                       | 126.00          | -             | -             |
| <b>Closing Net Assets (March 31, 2020)</b> | <b>2,819.41</b> | <b>501.33</b> | <b>359.16</b> |
| Profit for the year                        | (54.47)         | (0.30)        | 15.09         |
| Capital Addition                           | -               | -             | -             |
| Capital Distribution                       | 28.00           | -             | -             |
| <b>Closing Net Assets (March 31, 2021)</b> | <b>2,736.93</b> | <b>501.03</b> | <b>374.25</b> |
| Group share in %                           | 50.00%          | 50.00%        | 50.00%        |
| <b>Carrying Amount</b>                     | <b>1,368.47</b> | <b>250.52</b> | <b>187.12</b> |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -47

#### Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

##### a) Operating Segments

Management currently identifies the Group's three service lines as its Operating Segments as follows:-

- Project Management Consultancy ( PMC )
- Real Estate
- Engineering, Procurement and Construction ( EPC )

##### b) Segment Revenue & Expenses

Revenue & Expenses directly attributable to the segment is considered as "Segment Revenue & "Segment Expenses"

##### c) Segment Assets & Liabilities

Segment Assets & Liabilities include the respective directly identifiable to each of the segments.

These Operating Segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of segment Operating Results. Segment performance is evaluated based on the profit of each segment.

The following tables present Revenue and Profit Information and certain Assets and Liability information regarding the Group's reportable segments for the years ended March 31, 2021 and March 31, 2020.

(₹ in lakh)

| Particulars   | PMC            |                | Real Estate    |                | EPC            |                | Unallocated    |                | Total          |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| <b>Revenue</b>  |                |                |                |                |                |                |                |                |                |                |
| Revenue to External Customers   | 6,28,707.84    | 7,47,066.03    | 9,464.10       | 14,523.25      | 35,821.78      | 41,161.13      | -              | -              | 6,73,993.72    | 8,02,750.41    |
| Inter-Segment Sale  | -              | -              | -              | -              | -              | -              | -              | -              | -              | -              |
| Segment Revenue   | 6,28,707.84    | 7,47,066.03    | 9,464.10       | 14,523.25      | 35,821.78      | 41,161.13      | -              | -              | 6,73,993.72    | 8,02,750.41    |
| Interest Revenue  | 3,193.38       | 7,579.52       | 125.84         | 163.49         | 43.09          | 150.96         | 13,794.54      | 11,224.98      | 17,156.85      | 19,118.95      |
| Interest Expense  | 660.01         | 5.63           | 0.67           | -              | -              | -              | 1.56           | 662.98         | 662.24         | 668.61         |
| Depreciation and Amortisation   | 251.09         | 481.25         | 73.42          | 29.49          | 185.47         | 8.53           | 46.76          | 131.00         | 556.74         | 650.27         |
| Dividend Revenue  | -              | -              | -              | -              | -              | -              | 6.08           | 23.26          | 6.08           | 23.26          |
| Profit / (Loss) on sale of Property, Plant and Equipment                    | -              | -              | -              | -              | -              | -              | 214.13         | 711.79         | 214.13         | 711.79         |
| The Entity's Interest in the Profit & Loss of Associates and Joint Ventures | 7.55           | -              | (27.39)        | -              | -              | -              | -              | 85.78          | (19.84)        | 85.78          |
| Segment Result (Profit Before Tax)  | 24,444.95      | 31,299.16      | (341.39)       | (536.24)       | 1,873.21       | 3,351.32       | 2,733.98       | (4,401.54)     | 28,710.75      | 29,712.70      |
| Tax Expense   |                |                |                |                |                |                | (5,086.30)     | (19,725.94)    | (5,086.30)     | (19,725.94)    |
| Material Non-Cash items other than Depreciation and Amortisation.           | 1,974.70       | 536.67         | 0.05           | -              | 560.92         | 3.12           | 1.93           | 50.60          | 2,537.60       | 590.39         |

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

(₹ in lakh)

| Particulars  | PMC            |                | Real Estate    |                | EPC            |                | Unallocated    |                | Total          |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|  | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Segment Assets   | 8,28,986.37    | 7,72,739.54    | 1,73,202.43    | 1,81,149.38    | 86,293.02      | 91,886.59      | 2,27,936.01    | 2,04,951.82    | 13,16,417.83   | 12,50,727.33   |
| Segment Liabilities  | 9,87,290.71    | 9,38,284.30    | 33,421.73      | 31,742.73      | 78,895.27      | 82,786.79      | 37,078.88      | 37,323.58      | 11,36,686.59   | 10,90,137.40   |
| Additions to Non Current Assets other than Financial Instruments, Deferred Tax Assets, Net Defined Benefit Assets. | 102.53         | 123.50         | 0.09           | 8.48           | -              | -              | 1,540.61       | 752.94         | 1,643.23       | 884.92         |

**Geographical Information**

The operations of the Group are mainly carried out within the country and therefore, geographical segments are not disclosed.

**Information about major customers**

During the year ended March 31, 2021 revenue of approximately 14.41% (P.Y. 7.38%) are derived from a single external customer in the Project Management Consultancy Segment)

**Note -48**

Financial Assets and Liabilities

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

**Financial Instruments by Category**

(₹ in lakh)

| Particulars                          | Note Reference  | As at March 31, 2021 |                    |                    | As at March 31, 2020 |                    |                    |
|--------------------------------------|-----------------|----------------------|--------------------|--------------------|----------------------|--------------------|--------------------|
|                                      |                 | FVTPL                | Amortised cost     | Fair Value         | FVTPL                | Amortised cost     | Fair Value         |
| <b>Financial Assets</b>              |                 |                      |                    |                    |                      |                    |                    |
| Investments                          | <b>Note -14</b> | 154.21               | -                  | 154.21             | 1,000.00             | -                  | 1,000.00           |
| Trade Receivables                    | <b>Note -15</b> | -                    | 2,07,108.28        | 2,07,108.28        | -                    | 1,85,557.41        | 1,85,557.41        |
| Cash and Cash Equivalents            | <b>Note -16</b> | -                    | 2,51,669.82        | 2,51,669.82        | -                    | 1,94,881.18        | 1,94,881.18        |
| Other Bank Balances                  | <b>Note -17</b> | -                    | 3,18,644.64        | 3,18,644.64        | -                    | 3,25,757.81        | 3,25,757.81        |
| <b>Other Financial Assets</b>        |                 |                      |                    |                    |                      |                    |                    |
| Other Financial Assets - Current     | <b>Note -18</b> | -                    | 45,651.25          | 45,651.25          | -                    | 43,907.83          | 43,907.83          |
| Other Financial Assets - Non Current | <b>Note -09</b> | -                    | 1,45,014.80        | 1,45,014.80        | -                    | 1,38,977.67        | 1,38,977.67        |
| <b>Total Financial Assets</b>        |                 | <b>154.21</b>        | <b>9,68,088.79</b> | <b>9,68,243.00</b> | <b>1,000.00</b>      | <b>8,89,081.90</b> | <b>8,90,081.90</b> |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

(₹ in lakh)

| Particulars                               | Note Reference  | As at March 31, 2021 |                    |                    | As at March 31, 2020 |                |             |
|---|-----------------|----------------------|--------------------|--------------------|----------------------|----------------|-------------|
|   |                 | FVTPL                | Amortised cost     | Fair Value         | FVTPL                | Amortised cost | Fair Value  |
| <b>Financial Liabilities</b>              |                 |                      |                    |                    |                      |                |             |
| Trade Payables                            | <b>Note -26</b> | -                    | 3,26,547.44        | 3,26,547.44        | -                    | 355,219.95     | 355,219.95  |
| Other Financial Liabilities               | <b>Note -27</b> | -                    | 1,28,243.11        | 1,28,243.11        | -                    | 1,36,140.03    | 1,36,140.03 |
| Other Financial Liabilities - Non Current | <b>Note -23</b> | -                    | 19,746.53          | 19,746.53          | -                    | 20,804.33      | 20,804.33   |
| <b>Total Financial Liabilities</b>        |                 | -                    | <b>4,74,537.08</b> | <b>4,74,537.08</b> | -                    | 5,12,164.31    | 5,12,164.31 |

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature.

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

The above table excludes Investment in Subsidiaries, Associate and Joint Venture, which are measured at cost in accordance with Ind AS 27, 'Separate Financial Statements'.

### (i) Fair Value Hierarchy

Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table shows the Levels within the hierarchy of Financial Assets and Liabilities measured at Fair Value on a recurring basis at March 31, 2021 and March 31, 2020 :

### (ii) Financial Assets measured at Fair Value – Recurring Fair Value Measurements

(₹ in lakh)

| Particulars                    | Period         | Note Reference | Level 1 | Level 2  | Level 3 | Total    |
|--------------------------------|----------------|----------------|---------|----------|---------|----------|
| Financial Instruments at FVTPL | March 31, 2021 |                | -       | -        | 154.21  | 154.21   |
| Investment                     | March 31, 2020 | Note -14       | -       | 1,000.00 | -       | 1,000.00 |

### (iii) Valuation Technique used to determine Fair Value

Specific valuation techniques used to value Financial Instruments includes the use of Net Asset Value for Mutual Funds on the basis of the statement received from investee party.

## Note -49

### Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

#### (A) Credit Risk

The Group is exposed to credit risk from its Operating Activities ( Primarily Trade Receivables ) and from its Financing Activities including Deposits with Banks, Mutual Funds and Financial Institutions and other Financial Instruments.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### (i) Credit Risk Management

The Group assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Group provides for Expected Credit Loss based on the following:

(₹ in lakh)

| Asset group          | Basis of categorisation   | Provision for expenses credit loss                   |
|----------------------|---|--|
| Low Credit Risk      | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 12 month expected credit loss                        |
| Moderate Credit Risk | Trade Receivables   | Life time expected credit loss                       |
| High Credit Risk     | Trade Receivables and other Financial Assets                              | Life time expected credit loss or fully provided for |

In respect of Trade Receivables, the Group recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Group operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions

During the current financial year, the Group has identified certain debtors where the management has assessed substantial increase in credit risk. Following the prudent accounting practices, the Group has made a provision of ₹ 17861.76 on the net exposure of the trade receivables and corresponding trade payables where the Group has legally enforceable right to adjust the same.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakh)

| Credit rating           | Particulars   | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------|---|----------------------|----------------------|
| A: Low Credit Risk      | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 7,44,273.92          | 6,86,265.68          |
| B: Moderate Credit Risk | Trade Receivables and Retention & Security Deposit                        | 2,47,791.79          | 242,244.39           |
| C: High Credit Risk     | Trade Receivables and other Financial Assets                              | 22,364.54            | 4,192.47             |

### Concentration of Trade Receivables

The Group's Major Exposure to Credit Risk for Trade Receivables are from various Government Departments/ Ministries

### Credit Risk Exposure

#### Provision for Expected Credit Losses

The Group provides for Expected Credit Loss based on 12 month and lifetime Expected Credit Loss basis for following Financial Assets –

#### A: Low Credit Risk

#### As at March 31, 2021

(₹ in lakh)

| Particulars                          | Note reference  | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|--------------------------------------|-----------------|-----------------|------------|---|
| Cash and Cash Equivalents            | Note -16        | 2,51,669.82     | -          | 2,51,669.82                                 |
| Other Bank Balances                  | Note -17        | 3,18,644.64     | -          | 3,18,644.64                                 |
| Investments & Other Financial Assets | Note -9,14 & 18 | 1,73,959.46     | -          | 1,73,959.46                                 |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

As at March 31, 2020

(₹ in lakh)

| Particulars                          | Note reference  | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|--------------------------------------|-----------------|-----------------|------------|---|
| Cash and Cash Equivalents            | Note -16        | 1,94,881.18     | -          | 1,94,881.18                                 |
| Other Bank Balances                  | Note -17        | 3,25,757.81     | -          | 3,25,757.81                                 |
| Investments & Other Financial Assets | Note -9,14 & 18 | 1,65,626.69     | -          | 1,65,626.69                                 |

### B: Moderate Credit Risk

Expected Credit Loss for Retention & Security Deposit with Clients:

(₹ in lakh)

| Particulars                                     | Year           | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|---|----------------|-----------------|------------|---|
| Retention Money & Security Deposit with Clients | March 31, 2021 | 19,081.08       | 2,220.28   | 16,860.80                                   |
|   | March 31, 2020 | 20,513.60       | 2,254.79   | 18,258.81                                   |

Expected Credit Loss for Trade Receivables under simplified approach

As at March 31, 2021

(₹ in lakh)

| Ageing  | Note refer-ence | Upto 1 year        | Between 1 and 2 years | Between 2 and 3 years | Above 3 years    | Total              |
|---|-----------------|--------------------|-----------------------|-----------------------|------------------|--------------------|
| Gross Carrying Amount (Considered Good)                         | Note -15        | 1,02,088.48        | 37,715.28             | 23,152.78             | 65,754.18        | 2,28,710.71        |
| Expected Credit Losses (Loss Allowance Provision)               |                 | -                  | 3,513.65              | 4,567.03              | 13,521.77        | 21,602.44          |
| <b>Carrying Amount of Trade Receivables (Net of Impairment)</b> |                 | <b>1,02,088.48</b> | <b>34,201.63</b>      | <b>18,585.74</b>      | <b>52,232.41</b> | <b>2,07,108.27</b> |

As at March 31, 2020

(₹ in lakh)

| Ageing  | Note reference | Upto 1 year      | Between 1 and 2 years | Between 2 and 3 years | Above 3 years    | Total             |
|---|----------------|------------------|-----------------------|-----------------------|------------------|-------------------|
| Gross Carrying Amount (Considered Good)                         | Note -15       | 96,838.88        | 41,057.55             | 25,108.26             | 58,726.10        | 221,730.79        |
| Expected Credit Losses (Loss Allowance Provision)               |                | -                | 6,790.62              | 5,061.62              | 24,321.14        | 36,173.38         |
| <b>Carrying Amount of Trade Receivables (Net of Impairment)</b> |                | <b>96,838.88</b> | <b>34,266.92</b>      | <b>20,046.64</b>      | <b>34,404.96</b> | <b>185,557.41</b> |

Reconciliation of Loss Provision – Trade Receivables

(₹ in lakh)

| Reconciliation of Loss Allowance        | Loss allowance   |
|---|------------------|
| Loss allowance as on April 1, 2019      | 31,541.55        |
| Impairment Loss Recognised              | 4,631.83         |
| Reversal                                | -                |
| <b>Loss allowance on March 31, 2020</b> | <b>36,173.38</b> |
| Impairment Loss Recognised              | -                |
| Reversal                                | 14,570.94        |
| <b>Loss Allowance on March 31 2021</b>  | <b>21,602.44</b> |



Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

C: High Credit Risk

(₹ in lakh)

| Particulars                      | Note reference | Period               | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|----------------------------------|----------------|----------------------|-----------------|------------|---|
| Trade Receivables                | Note -15       | As at March 31, 2021 | 19,818.39       | 19,818.39  | -   |
|                                  |                | As at March 31, 2020 | 3,505.17        | 3,505.17   | -   |
| Other Financial Assets - Current | Note -18       | As at March 31, 2021 | 2,546.15        | 2,546.15   | -   |
|                                  |                | As at March 31, 2020 | 2,546.46        | 2,546.46   | -   |

(B) Liquidity Risk

The Group's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Group has no outstanding Bank Borrowings. The Group Consider that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

Maturities of Financial Liabilities

The tables below analyse the Group's Financial Liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakh)

| As at March 31, 2021                                  | Note reference | Up to one year     | More than one year | Total              |
|---|----------------|--------------------|--------------------|--------------------|
| Trade Payable   | Note -26       | 3,26,547.44        | -                  | 3,26,547.44        |
| Earnest Money & Security Deposits and Lease Liability | Note -23 & 27  | 1,05,653.55        | 19,746.53          | 1,25,400.08        |
| <b>Total</b>  |                | <b>4,32,200.99</b> | <b>19,746.53</b>   | <b>4,51,947.52</b> |

(₹ in lakh)

| As at March 31, 2020              | Note reference | Up to one year     | More than one year | Total              |
|-----------------------------------|----------------|--------------------|--------------------|--------------------|
| Trade Payable                     | Note -26       | 3,55,219.95        | -                  | 3,55,219.95        |
| Earnest Money & Security Deposits | Note -23 & 27  | 1,07,352.20        | 20,804.33          | 1,28,156.53        |
| <b>Total</b>                      |                | <b>4,62,572.15</b> | <b>20,804.33</b>   | <b>4,83,376.48</b> |

The Group's exposure towards Price Risk arises from Investments held and classified in the Balance Sheet either as Fair Value through Other Comprehensive Income or at Fair Value through Profit & Loss. To manage the price risk arising from investments in equity securities, the Group diversifies its portfolio of assets.

The Group's exposure to equity securities price risk arises from Investments held by the Group and classified in the Balance Sheet as Fair Value through Profit & Loss.

(₹ in lakh)

| Particulars | Note Reference | March 31, 2021 | March 31, 2020 |
|-------------|----------------|----------------|----------------|
| Investments | Note -14       | 154.21         | 1,000.00       |

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group's profit for the periods

(₹ in lakh)

| Particulars                  | March 31, 2021 | March 31, 2020 |
|------------------------------|----------------|----------------|
| <b>Price Sensitivity:-</b>   |                |                |
| Price increase by 3% - FVTPL | -              | 30.00          |
| Price decrease by 3% - FVTPL | -              | (30.00)        |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -50

#### Capital Management

The Group's objectives when managing capital are to:-

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio.

(₹ in lakh)

| Particulars          | March 31, 2021     | March 31, 2020    |
|----------------------|--------------------|-------------------|
| Equity Share Capital | 18,000.00          | 18,000.00         |
| Other Equity         | 1,45,718.93        | 127,020.57        |
| <b>Total Equity</b>  | <b>1,63,718.93</b> | <b>145,020.57</b> |

The Group has no outstanding funded debt as at the end of the respective years. Accordingly Group has NIL Capital gearing ratio as at March 31, 2021, March 31, 2020.

### Note -51

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Subsidiaries, Associate Companies and Joint Ventures:

#### Part "A" : Subsidiaries

(₹ in lakh)

| S. No. | Name of Subsidiary  | NBCC Services Limited    | NBCC Engineering & Consultancy Limited | NBCC International Limited | NBCC Environment Engineering Limited | NBCC GULF L.L.C           | Hindustan Steelworks Construction Limited | HSCC (INDIA) Limited     | NBCC DWC-LLC             |
|--------|---|--------------------------|--|----------------------------|--------------------------------------|---------------------------|---|--------------------------|--------------------------|
| 1      | The date since when subsidiary was acquired   | October 16, 2014         | December 15, 2015                      | July 5, 2017               | July 10, 2017                        | August 03, 2015           | April 1, 2017                             | December 24, 2018        | December 24, 2018        |
| 2      | Reporting period for subsidiary   | 01.04.2020 to 31.03.2021 | 01.04.2020 to 19.02.2021*              | 01.04.2020 to 31.03.2021   | 01.04.2020 to 31.03.2021             | 01.04.2020 to 01.07.2020* | 01.04.2020 to 31.03.2021                  | 01.04.2020 to 31.03.2021 | 01.04.2020 to 31.03.2021 |
| 3      | Reporting Currency in the case of foreign Subsidiaries.   | N.A.                     | N.A.                                   | N.A.                       | N.A.                                 | Omani Rial                | N.A.                                      | N.A.                     | AED                      |
| 4      | Exchange Rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries. | N.A.                     | N.A.                                   | N.A.                       | N.A.                                 | 196.2310                  | N.A.                                      | N.A.                     | 20.6200                  |
| 5      | Share Capital   | 300.00                   | -                                      | 100.00                     | 100.00                               | -                         | 7,000.00                                  | 180.01                   | 58.68                    |
| 6      | Reserve and Surplus   | 2,845.40                 | -                                      | 2.66                       | 1.63                                 | -                         | 25,678.21                                 | 11,593.78                | 401.77                   |
| 7      | Total Assets  | 9,818.25                 | -                                      | 103.82                     | 102.79                               | -                         | 1,43,506.27                               | 3,58,294.27              | 14,206.04                |
| 8      | Total Liabilities   | 6,672.85                 | -                                      | 1.16                       | 1.16                                 | -                         | 1,10,828.06                               | 3,46,520.48              | 13,745.59                |
| 9      | Investments   | -                        | -                                      | -                          | -                                    | -                         | 0.02                                      | -                        | -                        |
| 10     | Turnover  | 14,684.00                | -                                      | -                          | -                                    | -                         | 36,015.28                                 | 1,29,059.67              | 10,581.49                |
| 11     | Profit Before Taxation  | 1,220.07                 | 460.96                                 | 2.66                       | 1.36                                 | (0.34)                    | 3,256.98                                  | 1,361.36                 | 930.22                   |
| 12     | Provision for Taxation  | 264.85                   | 11.87                                  | 0.67                       | 0.26                                 | -                         | 309.00                                    | 378.96                   | -                        |
| 13     | Profit after Taxation   | 955.22                   | 449.09                                 | 1.99                       | 1.10                                 | (0.34)                    | 2,947.98                                  | 982.40                   | 930.22                   |
| 14     | Proposed Dividend   | -                        | -                                      | -                          | -                                    | -                         | 343.00                                    | 388.92                   | -                        |
| 15     | % of Holding  | 100%                     | 100%                                   | 100%                       | 100%                                 | 70%                       | 51%                                       | 100%                     | 100%                     |

\* Upto the date of loss of control.

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -52

Statement pursuant to Section 129(3) of Companies Act, 2013 related to Associates & Joint Ventures:

Part "B" : Associates & Joint Ventures

(₹ in lakh)

| S. No. | Name of Joint Ventures   | NBCC -R.K. Millen (AOP)  | NBCC-MHG (AOP)                                       | NBCC-AB (AOP)  | REDCC (COMPANY)                                      |
|--------|--|--|--|--|--|
| 1      | Latest Audited Balance Sheet Date  | N.A.   | March 31, 2021                                       | March 31, 2021                                       | March 31, 2021                                       |
| 2      | Date on which the Associate or Joint Venture was associated or acquired    | October 9, 2007  | June 10, 2009  | March 11, 2010                                       | September 7, 2015                                    |
| 3      | Shares of Joint Ventures held by the Group on the year end                 |  |  |  |  |
|        | Numbers  | N.A.   | N.A.   | N.A.   | 2000000  |
|        | Amount of Investment in Joint Venture                                      | 1113.36  | 232.62   | 238.73   | 200  |
|        | Extent of Share in Profit / Loss   | 50%  | 50%  | 50%  | 50%  |
| 4      | Description of how there is significant influence                          | Joint Venture & Share in Profit / Loss more than 20%   | Joint Venture & Share in Profit / Loss more than 20% | Joint Venture & Share in Profit / Loss more than 20% | Joint Venture & Share in Profit / Loss more than 20% |
| 5      | Reason why the Joint Venture is not consolidated                           | Land of Joint Venture is acquired by Govt. of West Bengal. Hence, it could not take off and there is legal case between coventurers. | N.A.   | N.A.   | N.A.   |
| 6      | Net worth Attributable to Shareholding as per latest audited Balance Sheet | N.A.   | -  | -  | -  |
| 7      | Profit / Loss for the year   |  |  |  |  |
|        | (i) Considered in Consolidation  | N.A.   | -  | -  | -  |
|        | (ii) Not Considered in Consolidation                                       | N.A.   | -  | -  | -  |

N.A. = Not Applicable

A.O.P. = Association of Persons

NBCC - MHG = NBCC - MAHAVIR HANUMAN GROUP

NBCC - AB = NBCC - AHINSHA BUILDERS PRIVATE LIMITED

REDCC = REAL ESTATE DEVELOPMENT & CONSTRUCTION CORPORATION OF RAJASTHAN LIMITED

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

Note -53

Additional Information in pursuant to Schedule III of the Companies Act, 2013

(₹ in lakh)

| S. No | Name of the Entity  | Ownership Interest | Net Assets, i.e., Total Assets minus Total Liabilities |                    | Share in Profit or Loss             |                  | Share in Other Comprehensive Income             |                   | Share in Total Comprehensive Income |                  |
|-------|---|--------------------|--|--------------------|-------------------------------------|------------------|---|-------------------|-------------------------------------|------------------|
|       |   |                    | As % of Consolidated net Assets                        | Amount             | As % of consolidated Profit or Loss | Amount           | As % of Consolidated Other Comprehensive Income | Amount            | As % of Total Comprehensive Income  | Amount           |
| 1     | <b>Parent</b>   | -                  | 73.92%   | 1,32,865.77        | 73.20%                              | 17,356.48        | 94.81%  | (954.72)          | 72.25%                              | 16,401.76        |
| 2     | <b>Subsidiaries</b>   |                    |  |                    |                                     |                  |   |                   |                                     |                  |
| A     | <b>Indian</b>   |                    |  |                    |                                     |                  |   |                   |                                     |                  |
| a.)   | NBCC Services Limited   | 100.00%            | 0.46%  | 826.01             | 4.03%                               | 955.22           | 0.00%   | -                 | 4.21%                               | 955.22           |
| b.)   | NBCC Engineering & Consultancy Ltd  | 100.00%            | 0.00%  | -                  | 1.89%                               | 449.09           | 0.00%   | -                 | 1.98%                               | 449.09           |
| c.)   | NBCC International Ltd  | 100.00%            | 0.06%  | 103.15             | 0.01%                               | 1.99             | 0.00%   | -                 | 0.01%                               | 1.99             |
| d.)   | NBCC Environment Engineering Ltd  | 100.00%            | 0.06%  | 102.12             | 0.00%                               | 1.10             | 0.00%   | -                 | 0.00%                               | 1.10             |
| e.)   | Hindustan Steelworks Construction Ltd                                     | 51.00%             | 9.23%  | 16,588.08          | 6.34%                               | 1,503.47         | 1.68%   | (16.90)           | 6.55%                               | 1,486.57         |
| f.)   | HSCC (India) Ltd  | 100.00%            | 6.48%  | 11,640.64          | 4.14%                               | 982.40           | -1.30%  | 13.13             | 4.39%                               | 995.53           |
| B     | <b>Foreign</b>  |                    |  |                    |                                     |                  |   |                   |                                     |                  |
| a.)   | NBCC Gulf LLC   | 70.00%             | 0.00%  | -                  | 0.00%                               | (0.24)           | -0.27%  | 2.75              | 0.01%                               | 2.51             |
| b.)   | NBCC DWC LLC- Dubai   | 100.00%            | 0.26%  | 458.40             | 3.92%                               | 930.22           | 3.59%   | (36.16)           | 3.94%                               | 894.06           |
| 3     | <b>Non - Controlling Interest in All Subsidiaries</b>                     |                    | 8.91%  | 16,012.31          | 6.09%                               | 1,444.41         | 1.49%   | (15.05)           | 6.30%                               | 1,429.36         |
| 4     | <b>Joint Ventures</b>   |                    |  |                    |                                     |                  |   |                   |                                     |                  |
|       | Investments Accounted for using Equity Method                             |                    |  |                    |                                     |                  |   |                   |                                     |                  |
| A     | <b>Indian</b>   |                    |  |                    |                                     |                  |   |                   |                                     |                  |
| a.)   | NBCC -MHG (A.O.P.)  | 50.00%             | 0.63%  | 1,135.85           | 0.32%                               | 76.65            | 0.00%   | -                 | 0.34%                               | 76.65            |
| b.)   | NBCC- AB (A.O.P.)   | 50.00%             | 0.01%  | 11.78              | 0.00%                               | 0.01             | 0.00%   | -                 | 0.00%                               | 0.01             |
| c.)   | Real Estate Development and Construction corporation of Rajasthan Limited | 50.00%             | -0.01%   | (12.88)            | 0.04%                               | 9.12             | 0.00%   | -                 | 0.04%                               | 9.12             |
|       | <b>TOTAL</b>  |                    | <b>100.00%</b>   | <b>1,79,731.24</b> | <b>100.00%</b>                      | <b>23,709.92</b> | <b>100.00%</b>                                  | <b>(1,006.95)</b> | <b>100.00%</b>                      | <b>22,702.97</b> |

Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

**Note -53A**

Following Joint Ventures have not been considered for consolidation:

| S.No | Particulars      | Reason  |
|------|------------------|---|
| a)   | NBCC- R.K Millen | The amount of ₹ 1569.31 lakh received by the Parent Company in F.Y. 2018-19 as partial receipt against the arbitration award, on behalf of JV, in favour of the Parent Company, has been adjusted against the investment. The dissolution of the defunct partnership shall be pursued after receiving award amount in full. Hence the Group do not exercise joint control over the Joint Venture. |
| b)   | HSCL-SIPL        | HSCL-SIPL arrangement is not in the nature of 'Joint Venture'. The arrangement has also been discontinued and hence lacks commercial substance and economic reality.  |

**Note -54**

**Events After Balance Sheet Date**

- Proposed Dividend ₹ 0.47 per share on face value of ₹ 1.00 per share (Previous year ₹ 0.135 per share on face value of ₹ 1.00 per share) in respect of parent.
- The company has paid interim dividend of ₹ 0.78 per equity share on face value of ₹ 10.00 per equity share for the FY 2020-21. Now The Board of Directors recommended a Final Dividend of ₹ 0.49 per equity share on face value of ₹ 10.00 per equity share in respect of HSCL, a subsidiary company. Out of which 49% is payable to Non controlling Interest (NCI).
- Proposed Dividend ₹ 12.50 per share on face value of ₹ 10.00 per share (P.Y. ₹ 2.00 per share on face value of ₹ 10 per share) in respect of NSL, a subsidiary company.
- Proposed Final dividend of ₹ 216.05 per equity share in respect of HSCC, a subsidiary company.
- In respect of NECL, ₹ 27,91,314/- has been received from Gujarat State Road Transport Corporation after the balance sheet date and the same has been adjusted with the amount of write off during the year.

**Note -55**

**Effect of Change in Accounting Policies:**

The Group has lost its control over its two subsidiaries viz. NBCC Engineering & Consultancy Limited and NBCC Gulf LLC (Refer note 14 B). Accordingly during the year following amounts of the respective company's assets / liabilities has been derecognised in pursuance to para 25 of IND AS 110.

(₹ in lakh)

| Particulars                   | NBCC Engineering & Consultancy Limited | NBCC GULF L.L.C |
|-------------------------------|--|-----------------|
| <b>ASSETS</b>                 |  |                 |
| Property, Plant and Equipment | 0.09                                   | -               |
| Deferred Tax Asset (Net)      | -                                      | (9.68)          |
| Trade Receivables             | 25.78                                  | -               |
| Cash and Cash Equivalents     | 11.45                                  | 9.62            |
| Other Financial Assets        | 0.10                                   | -               |
| Current Tax Assets (Net)      | 7.77                                   | -               |
| Other Current Assets          | -                                      | 227.28          |
| <b>Total Assets</b>           | <b>45.18</b>                           | <b>227.22</b>   |
| <b>EQUITY AND LIABILITIES</b> |  |                 |
| Equity Share capital          | 100.00                                 | 292.04          |
| Other Equity                  | (62.85)                                | (135.33)        |
| Minority                      | -                                      | 67.17           |

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

| Particulars                         | NBCC Engineering & Consultancy Limited | NBCC GULF L.L.C |
|-------------------------------------|--|-----------------|
| Other Financial Liabilities         | 5.49                                   | -               |
| Other Current Liabilities           | 2.54                                   | 3.34            |
| <b>Total Equity and Liabilities</b> | <b>45.18</b>                           | <b>227.22</b>   |

Impairment recognised w.r.t NBCC Engineering & Consultancy Limited and NBCC Gulf LLC amounting to ₹ 100 Lakh and ₹ 137.83 Lakh respectively has been derecognised.

The profit & loss of the current financial year of the Group include the following income / expenditure in respect of the subsidiary companies:

(₹ in lakh)

| Particulars                           | NBCC Engineering & Consultancy Limited* | NBCC GULF L.L.C* |
|---------------------------------------|---|------------------|
| Value of Services                     | -                                       | -                |
| Other Operating Revenues              | 772.87                                  | -                |
| Other Income                          | 6.14                                    | -                |
| <b>Total Income</b>                   | <b>779.01</b>                           | <b>-</b>         |
| Depreciation and Amortisation Expense | 0.04                                    | -                |
| Other Expenses                        | 5.90                                    | 0.34             |
| Write offs                            | 312.10                                  | -                |
| <b>Total Expenses</b>                 | <b>318.05</b>                           | <b>0.34</b>      |
| <b>Profit before Exceptional</b>      | <b>460.96</b>                           | <b>(0.34)</b>    |
| Tax Expense                           | 11.87                                   | -                |
| <b>Profit / (Loss) for the period</b> | <b>449.09</b>                           | <b>(0.34)</b>    |
| <b>Other Comprehensive income</b>     | <b>-</b>                                | <b>3.93</b>      |
| <b>Total Comprehensive income</b>     | <b>449.09</b>                           | <b>3.59</b>      |

\* Upto the date of loss control of NBCC Engineering & Consultancy Limited and NBCC Gulf LLC i.e. February 19, 2021 and July 2, 2020 respectively.

### Note -56

#### (A) Other Disclosures (In matter of Group)

- (i) The Parent Company in its Board Meeting dated August 11, 2018 has decided to close the subsidiary companies. The company has received approval of its administrative Ministry i.e. Ministry of Housing and Urban Affairs and DIPAM on March 27, 2019 and May 09, 2019 respectively for the proposed closure by way of merger. Accordingly the Company filed a joint application of Scheme of Merger with the Ministry of Corporate Affairs on December 24, 2020 which is under process.
- (ii) The group in its Board meeting dated September 23, 2019 had decided to close the subsidiary company NBCC Engineering & Consultancy Limited and approval for the same has been received from administrative ministry i.e. Ministry of Housing and Urban Affairs on June 16, 2020. The subsidiary company has passed the resolution for winding up by way of liquidation in extraordinary general meeting on February 19, 2021 and appointed the liquidator. Hence, the group lost the control over the subsidiary and all the assets / liabilities and equity has been derecognized in accordance with Para 25 of IND AS 110 during the financial year 2020-21.
- (iii) The group in its Board meeting dated July 15, 2019 had decided to close the subsidiary company NBCC GULF L.L.C. and approval for the same has been received from administrative ministry i.e. Ministry of Housing and Urban Affairs on June 16, 2020. The subsidiary company has passed the resolution for winding up on July 02, 2020 and appointed the liquidator. Hence, the group lost the control over the subsidiary and all the assets / liabilities and equity has been derecognized in accordance with Para 25 of IND AS 110 during the financial year 2020-21.

**Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021**

- (iv) The spread of COVID - 19 pandemic has severely impacted businesses around the globe. In many countries, including India, there have been severe disruptions in regular business operations due to Lockdown. During the financial year 2020-21, the country was in partially in lockdown and the company temporarily suspended its operations in all its offices, in compliance with the Lockdown advisory issued by Central / respective State Government.

As a result of Lockdown, the volumes for the year have been partially impacted. The company's management has made an initial assessment of likely adverse impact on revenues and believes that the impact on revenues is likely to be short term in nature. The company has also made a detailed assessment of its liquidity position for the next year and also the recoverability & carrying value of its assets comprising property plant and equipment, right to use assets, investments, inventories and trade receivables. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets. The situation is changing rapidly and is giving rise to inherent uncertainties around the extent and timing of the potential future impact of COVID - 19 which may be different from that estimated at the time of approval of these financial results. The company continues to closely monitor any material changes arising out of future economic conditions and impact on its business. The management does not see any risk in the ability of the company to continue as a going concern and meeting its liabilities as and when due

**(B) Other Disclosures (In matter of the Parent Company)**

- i) Reference to the Corporate Insolvency Resolution Process (CIRP) of Jaypee Infratech Limited (JIL), the company (NBCC) had submitted its resolution plan on December 3, 2019 along with an addendum dated December 09, 2019 which was approved by Committee of Creditors (CoC) by a majority (97.36%) of voting share pursuant to the e-voting initiated on December 10, 2019 and ended on December 16, 2019.

The Hon'ble Supreme Court vide its order dated March 24, 2021 passed in Civil Appeal No. 3395 of 2020, Jaypee Kensington Boulevard Apartments Welfare Association & Ors. vs NBCC (India) Ltd. & Ors. has inter alia directed IRP to complete the CIRP within the extended time of 45 days from the date of judgments i.e. March 24, 2021. The Hon'ble Supreme Court allowed IRP to invite modified/fresh resolution plans from the company and Suraksha Realty by extending time to submit the same within 2 weeks i.e. up to April 07, 2021.

As per the Hon'ble Supreme Court Order dated March 24, 2021, IRP invited the company vide email dated March 24, 2021 for submission of the revised resolution plan.

The company submitted its final resolution plan on June 04, 2021 supplemented by addendums dated June 07, 2021 & June 09, 2021 which was accepted by Committee of Creditors (COC) of JIL and put to vote for COC through e-voting initiated on June 14, 2021 and ended on June 23, 2021. Since the company lost bidding, the resolution plan submitted by the company has not been approved by COC.

The company has incurred an amount of ₹ 148.92 Lakh (P.Y. ₹ 114.00 Lakh ) in financial year 2020-21 on account of legal and professional fee after initiation of the bidding process of JIL and the same have been charged to revenue during the year in which the expenditure has been incurred.

- (ii) The company is executing contracts for construction of various buildings of IIT Kharagpur. The trade receivables as on March 31, 2021 include ₹ 1582.04 Lakh on account of outstanding for above project. Due to irregularities in the project, the matter is pending with vigilance department. Other corresponding accounts as on the date of balance sheet include trade payables of ₹ 1714.66 Lakh, Security deposit from contractors of ₹ 365.67 Lakh and the provision for expected credit loss [ECL] of ₹ 288.08 Lakh. Necessary accounting adjustments, if any, shall be made after conclusion of vigilance procedures and remeasurement.
- (iii) The major clients of the company are ministries, Government Departments, Government Authorities and Public Sector Undertakings. The balances of the clients in the nature of Trade Receivables, Loans and Advances, Earnest Money Deposit, Security Deposit and Deposits in the nature of trade receivables classified under current and non current assets; and also the trade payables are subject to confirmation, reconciliation and consequent adjustments. The management does not expect any significant impact upon such reconciliation.
- (iv) The company, during the year has opened a foreign branch at Republic of Maldives on March, 31, 2021 and there is no financial transaction at the branch.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

- (v) The spread of COVID - 19 pandemic has severely impacted businesses around the globe. In many countries, including India, there have been severe disruptions in regular business operations due to Lockdown. During the financial year 2020-21, the country was in partially in lockdown and the company temporarily suspended its operations in all its offices, in compliance with the Lockdown advisory issued by Central / Respective State Government.

As a result of Lockdown, the volumes for the year have been partially impacted. The company's management has made an initial assessment of likely adverse impact on revenues and believes that the impact on revenues is likely to be short term in nature. The company has also made a detailed assessment of its liquidity position for the next year and also the recoverability & carrying value of its assets comprising property plant and equipment, right to use assets, investments, inventories and trade receivables. Based on current indicators of future economic conditions, the company expects to recover the carrying amount of these assets. The situation is changing rapidly and is giving rise to inherent uncertainties around the extent and timing of the potential future impact of COVID - 19 which may be different from that estimated at the time of approval of these financial results. The company continues to closely monitor any material changes arising out of future economic conditions and impact on its business. The management does not see any risk in the ability of the company to continue as a going concern and meeting its liabilities as and when due

### (B) (a) Inventory Disclosures (In matter of the Parent Company)

#### LAND BANK

The company is carrying inventory of 17 Lands of ₹ 67216.56 Lakh for over 6 years. These lands are purchased for Real Estate Development. However, due to slowdown in real estate market, the company has deferred the plans to develop these lands. Further following lands are not registered in the name of the company:

(i) **Land at Naya Raipur, Chattisgarh**

The company has purchased a Group Housing Plot admeasuring 30,436 Sqm. in Naya Raipur from Naya Raipur Development Authority (NRDA) on lease for a total sum of ₹ 2247.09 Lakh in the year 2014. As per the terms of allotment, the lease deed is to be executed on completion of 50% construction as per the approved plan. However, in view of the current market scenario, the company has kept in abeyance the construction on the said land. As such, the execution of conveyance deed is pending.

(ii) **Land at Faridabad**

The company purchased a freehold plot admeasuring 16,753.99 Sqm. for group housing in open auction from Municipal Corporation of Faridabad (MCF) for a total sum of ₹ 13178.41 Lakh in the year 2013. The company has paid full consideration and has taken the possession of land. The company has been pursuing MCF for execution of lease deed but till date the same has not yet been executed for want of environment clearance. The company has applied for environment clearance for which obtaining NOC from Forest Department is necessary. Accordingly, the company applied for NOC from Forest department, however the same is denied on the ground that "the criteria for clarification of deemed forests is pending before the Hon'ble Supreme Court and Govt. of Haryana has not identified deemed forests". Whereas in Clause No. 24 of letter of allotment of land, the MCF stated that, "Deputy Conservator of Forests, Faridabad vide her office memo no. 569 dated August 28, 2012 has intimated that the area under Group Housing plots is notified under general section-4 of Punjab Land Preservation Act, 1900". Thus, denial of NOC by Forest Department is contrary to what is contained in Letter of Allotment. NBCC has taken up with Government of Haryana to either issue necessary instructions to Forest Department for issuing of NOC as required for Environmental Clearance or refund the amount paid with interest to NBCC. The company is also exploring the possibility of early execution of lease deed from MCF or referring the matter to AMRCD for early resolution.

(iii) **Land at Alwar**

The company purchased a plot admeasuring 4197 Sq. Mtr. from Urban Improvement Trust (UIT), Alwar in the year 2013 for ₹ 974.03 Lakh. Even after several requests for handing over the possession and execution of lease deed, UIT failed to hand over the possession and execute the lease deed. UIT intimated that lease cannot be executed due to Civil Writ petition filed before Hon'ble High Court of Rajasthan in the matter of Giriraj Prasad Vs. State of Rajasthan and the Lease deed will be executed only after a judgment in favour of the State Government. The company is exploring the possibility for early resolution of matter through AMRCD.



**Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021****(iv) Land at Ghaziabad**

The company purchased a land admeasuring 16225.05 Sq. Mtr. at Koyal Enclave from Ghaziabad Development Authority (GDA) in the year 2015. The company has incurred a total cost of ₹ 5495.13 Lakh. The lease deed and the possession in respect of the above plot has not yet been executed. GDA has demanded a sum of ₹ 462.41 Lakh towards infrastructure Charges vide letter No. 2433 dated December 13, 2019. The said demand is not acceptable to the company and in view of the same, the company has requested Ghaziabad Development Authority for cancellation of allotment & refund of entire amount with interest as per the terms of allotment etc.

**Work in progress and completed projects****(v) NBCC Plaza at Pushp Vihar**

The company has undertaken a project for construction of "Additional Shopping cum Car Parking Blocks" in "NBCC Plaza" at PushpVihar, New Delhi and has paid a sum of ₹ 3021 Lakh to L&DO, MoHUA in the year 2010 as additional premium for availing additional ground coverage (FAR). However, later South Delhi Municipal Corporation [SDMC], vide its letter dated May 20, 2015, while approving the building plans subject to compliance of few conditions, demanded additional FAR charges amounting to ₹ 3224 Lakh. The SDMC also stayed the construction till the time, said amount is paid to them. Since the company had already deposited the said amount with L&DO, it represented the matter to SDMC as well as L&DO, at different forums. During the year MoHUA has informed the company that SDMC may only recover charges other than additional FAR charges, if any. MoUHA also directed SDMC to release the Sanctioned Building Plan to NBCC at the earliest.

In addition to the above the company has incurred a sum of ₹ 1718.84 lakh on construction of the project till March 31, 2021. The net realisable value of the constructed block is ₹ 824.65 lakh. The company has made a provision in the books for impairment in the value of assets amounting to ₹ 894.19 lakh.

**(vi) Kochi, Kerala**

The company has constructed Group Housing Real Estate project at Kochi, Kerala containing 3,20,216 Sq. ft. residential and 3,979 Sq. ft. commercial area. The company has incurred an amount of ₹ 8699.87 lakh thereon. The sale in the project is pending for want of environmental clearance (EC), which is also mandatory for registration under RERA registration.

**(vii) Jakson Gate, Agartala**

The company executed a real estate project at Jakson Gate, Agartala in the year 2010 under Joint Operations with Agartala Municipal Council (AMC). As the company was unable to sell the constructed area, the substantial portion of the constructed area has been let-out to various Government Organizations. Real Estate Marketing Division is exploring the possibilities to sell the same in consultation with JV partner. The company has incurred a sum of ₹ 916.96 lakh as on date.

**(viii) Group Housing project in Alwar**

The company has executed Group Housing project in Alwar with a total expenditure of ₹ 5775.82 Lakh. The substantial portion of the project was completed in the year 2018. The company initiated the sale of the project in the year 2014 – 15. No sale, however, could be effected. The company plans to re-start the sale in the project, for which it has to incur additional cost to refurbish the constructed area. The value of the project has deteriorated and the company has made provision of ₹ 1172.23 lakh towards impairment in the cost of the work in progress.

**(ix) Sukheas Lane, Kolkata**

Sukheas Lane, Kolkata property is Joint Venture Property with Kolkata Metro Rail Corporation Limited (KMRCL) located in the city centre of Kolkata. The property is not completed from long time due to pendency of Writ Petition no. 833/2014 before Hon'ble High court of Kolkata since the year 2014 challenging the aforesaid land acquisition by KMRCL. The company has incurred a sum of ₹ 549.59 lakh on this project which are lying since 2014.

**(x) Sector - 37 D, Gurugram**

The company developed a residential real estate project comprising residential and EWS units at NBCC Green View, Sector - 37 D, Gurugram. The project was completed and the occupancy certificate was received in the year 2017 - 18. The complex is partially sold and occupied by the residents.

Owing to the observations by NBCC officials and several representations from homebuyers regarding various structural

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

and other defects, the company appointed IIT Delhi (IITD) to examine the matter and suggest methodology to retrofit the structures for mitigating the noticed defects in totality.

The work as per the methodology given by IITD is being done on site by the main civil contractor at his cost. The company is also considering other value additions in structural designs as suggested by IITD for enhancing marketing of the balance inventory. The cost, if any, in this regard shall be borne by the company.

The matter is under investigation by vigilance department for any irregularity, internal or otherwise. Necessary accounting adjustments, if warranted, shall be made after conclusion of vigilance procedures.”

### (C) Other Disclosures (In matter of the HSCL, a Subsidiary of the Parent Company)

- i) Balances shown under claims recoverable, trade receivables, advances to contractors, trade payable, security deposits and earnest money from contractors are subject to confirmation and respectively consequential adjustments. In the opinion of the management, value of trade receivables, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
- ii) During the financial year, a case of fraud has been detected against opening and operation of current account fraudulently in the name of HSCL with The Moga Central Cooperative Bank Limited, Moga, Punjab with forged documents. A FIR has been filed and matter is under investigation.

### (D) Other Disclosures (In matter of the HSCC (INDIA) Limited a Subsidiary of the Parent Company)

- (i) During the year 2018-19, the company has acquired 100% of equity share capital in HSCC (India) Limited (HSCC), which was previously 100% owned by Government of India. Thus HSCC has become subsidiary of the Parent w.e.f. December 24, 2018. Since the Parent and HSCC both had Govt. of India {President of India} as majority shareholder in F.Y. 2017-18 also and thus were under Common Control even prior to HSCC becoming subsidiary of the Parent, NBCC has accounted for business combination with HSCC in terms of Appendix C of Ind AS 103 on Business Combination which lays down the principles in respect of accounting for business combinations of entities or businesses under common control in accordance of pooling of interest method prescribed thereunder. Hence, amounts for the year ended March 31, 2019 include amount pertaining to HSCC also even though HSCC became subsidiary of the company w.e.f. December 24, 2018. The consolidated audited figures for the year ended March 31, 2019 also include Audited IND AS figures pertaining to newly acquired company HSCC (India) Limited.
- (ii) During the test check by Comptroller and Auditor General (CAG) of transactions of company's account during the FY 2017-18 at Indian Overseas Bank, Noida, significant transactions amounting to ₹ 2926 lakh were noticed which can be termed as “Transactions of Doubtful Reliability.” Provision of ₹ 2926 lakh was made from the reserves as at 01st April 2017 as transactions pertain to the period prior to FY 2016-17.

#### The details of transaction are as under:

- (a) An amount of ₹ 301 lakh (₹ 242 lakh and ₹ 59 lakh) was detected in 4th quarter of FY 2016-17 on account of fraudulent transfer. However, the fraud were occurred in FY 2014-15 and FY 2015-16 respectively.
- (b) An amount of ₹ 352.00 lakh was included in 'interest receivable' under the head other current financial assets, even though the same was received in October 2014.
- (c) An amount of ₹ 11.00 lakh being the sale tax deposited during 2013-14 by the company on its client behalf was accounted as recoverable from client.
- (d) A fixed deposit of ₹ 197.00 lakh which was opened in April 2014 and encashed in July 2014, earned an interest of ₹ 6.00 lakh. It was observed that in the bank ledger of the company, ₹ 197.00 lakh was debited (received) twice against a single encashment.
- (e) An amount of ₹ 783.00 lakh was credited in bank account from a Client on 12 April 2014 and the same was shown in the company's accounts under the head deposits from Clients. Thereafter, multiple debit and credit entries of this amount were made in the client ledger during 2014-15 on the pretext of rectifications and reversals. The client ledger which is of liability nature was showing debit balance of ₹ 712.00 lakh in the company's books on 31 March 2018.
- (f) A fixed deposit (FD) of ₹ 1,282.00 lakh in Company's account at UCO Bank was encashed in August 2013 along with interest of ₹ 110 lakh. An entry for receipt of encashment proceedings was made 31 March 2014 in Company's account at Indian Overseas Bank, however, in the same voucher, amount received on FD encashment was reversed. Thus, nullify the receipt of FD encashment.

**Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021**

The Company had engaged a firm of chartered accountants in April 2017 for checking all bank payments and verification of bank fixed deposit receipts related to financial year 2013-14 and 2014-15 and the report from firm of chartered accountants has not been submitted. The firm of chartered accountant has not completed the assigned work and subsequently withdrawn himself from engagement.

Further, NBCC (India) Limited (Holding Company) has appointed forensic/management auditor during the year ended March 31, 2020. The forensic/management auditor has not submitted audit report.

During the year ended March 31, 2020, The bank has paid ₹ 59.55 lakh to company which belongs to unidentified transactions. However, the amount of provision has been kept intact amounting to ₹ 2926 lakh and is subject to final results of forensic/management audit.

- (iii) During the F.Y. 2019-20, in the process of reconciliation of various head of accounts four unidentified transaction were noticed which were confirmed with the banks as mentioned below:

| S. No.       | Name of payee      | Date of payment | Amount (₹ In lakh) |
|--------------|--------------------|-----------------|--------------------|
| 1            | M/s MS Enterprises | 16-Sep-16       | 22.97              |
| 2            | M/s MS Enterprises | 16-Sep-16       | 26.98              |
| 3            | M/s MS Enterprises | 20-Sep-16       | 68.87              |
| 4            | M/s MS Enterprises | 20-Sep-16       | 70.25              |
| <b>Total</b> |                    |                 | <b>189.07</b>      |

A complaint has been lodged with SSP, Gautam Budh Nagar on May 13, 2019. Subsequently, the aforesaid amount of ₹ 189.07 lakh has been paid by bank to company during the year ended March 31, 2020. The amount is lying still unadjusted.

**(iv) Unreconciled Bank Balances**

Bank Reconciliation doesn't include the unmatched and untraceable entries, hence the unmatched and untraceable entries may have impact on Profit & Loss and Balance Sheet of the company and will be accounted in the year in which the un-reconciled transaction will be identified. Bank reconciliation of following bank balance is still pending.

| S. No. | Name of the Bank     | Branch          | Project Name     | A/c No.         |
|--------|----------------------|-----------------|------------------|-----------------|
| 1      | Indian Overseas Bank | Sector-1, Noida | Ayush, New Delhi | 172502000000644 |
| 2      | Indian Overseas Bank | Sector-1, Noida | HSCC Bank A/C    | 172502000000151 |

**(E) Other Disclosures (In matter of the NSL a Subsidiary of the Parent Company)**

- (i) Balances of Trade Receivables, Trade Payables, Other Payables and Loans & Advances are subject to reconciliation and confirmation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- (ii) Contractors' claims for price variation/extra work etc. are accounted for as cost of work to the extent such claims are accepted and approved by the engineer of the company by certifying the running bills raised by the contractors. The adjustments, if any shall be accounted for at the time of approval/settlement of final bill by the competent authority, which in the opinion of the management will not have a material impact.
- (iii) During the earlier year, one of the clients had raised a claim on the company for recovery of ₹ 95.60 Lakh for short deployment of personnel by the contractor and adjustment from the pending payments to the company, though the company had recovered the said amount from the contractor. The company had referred the said matter to Chief Vigilance Officer ("CVO") to examine irregularities, if any with regard to processing of the bills by the officials, the matter is still under investigation.
- (iv) In the opinion of the management, the value of current assets on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

## Notes to the Consolidated Financial Statements for the Year Ended 31st March, 2021

### Note -57

In accordance with the MCA Circular 39/2014 dated October 14, 2014, later reproduced as Annexure F of the Guidance note on the Schedule III of companies Act, 2013, the group while presenting Consolidated Financial Statements has not merely repeated type disclosures made by it under Standalone Financial Statements being consolidated.

In Consolidated Financial Statements, the Group has given all disclosures related to Consolidated Financial Statements only.

### Note -58

#### Regrouping / Reclassified

Previous year figures have been regrouped and/or reclassified, wherever, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.

For and on behalf of the Board of Directors

Sd/-  
**DEEPTI GAMBHIR**  
Company Secretary  
(FCS : 4984)

Sd/-  
**B. K. SOKHEY**  
Director (Finance) & CFO  
(DIN : 06955670)

Sd/-  
**P. K. GUPTA**  
Chairman & Managing Director  
(DIN : 07698337)

As per our Report of even date attached  
**For DHAWAN & CO.**  
Chartered Accountants  
ICAI Firm Reg. No: 002864N

Sd/-  
**SUNIL GOGIA**  
(Partner)  
Membership No. 073740

**Place :** New Delhi

**Date :** June 29, 2021



**Note**

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*A Navratna CPSE*

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

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LANDLINE: 011-43591555 / 24367314-15