

NCC URBAN INFRASTRUCTURE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in million)

Description	Notes	Year Ended March 31, 2019		Year Ended March 31, 2018	
REVENUE					
Revenue from operations	25	3,650.78		1,457.09	
Other income	26	279.51		122.42	
Total Revenue			3,930.29		1,579.52
EXPENDITURE					
Cost of materials consumed	27	1,051.90		780.78	
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	1,552.27		-235.80	
Employees benefit expenses	29	125.23		115.90	
Finance costs	30	752.14		717.67	
Depreciation and amortization expense	3 & 4	19.53		17.03	
Other expenses	31	252.36		141.73	
Total Expenses			3,753.44		1,537.31
Profit/(Loss) Before Exceptional Items and Tax			176.85		42.20
Exceptional Items			0.00		0.00
Profit/(Loss) Before Tax			176.85		42.20
Share of Profit/(Loss) from Consolidation			8.79		12.65
Profit/(Loss) Before Tax			185.64		54.85
Less: Tax Expense					
- Current Tax		44.20		7.00	
- Deferred Tax		5.58		-32.76	
			49.78		-25.76
Profit/(Loss) for the Period			135.87		80.61
Profit/(Loss) for the Period from discontinued operations					
Profit/(Loss) for the Period			135.87		80.61
Other Comprehensive Income					
Items that will not be reclassified to Profit or Loss					
Remeasurements of the defined benefit plans(Loss/(Gain))		1.56		1.18	
Income tax relating to items that will not be reclassified to profit or loss		-0.43		-0.39	
Total Other Comprehensive Income			1.12		0.79
Total Comprehensive Income for the Period			134.74		81.40
Earnings per Share of face value of Rs.10/- each					
Basic			0.91		0.54
Diluted			0.91		0.54
Corporate information and significant accounting policies	1 & 2				
See accompanying notes to the financial statements					

As per our report of even date attached for K.P.Rao & Co.

Chartered Accountants

Firm's Reg. no - 003135S

K. Viswanath

Partner

Membership No: 022812



for and on behalf of the Board

J.S.R. Raju

J.S.R. Raju

Director

DIN: 01158196

G. Srinivasa Rao

G. Srinivasa Rao
Chief Financial Officer

Rajesh Kumar Yad
Company Secretary

Hyderabad, May 08, 2019

NCC URBAN INFRASTRUCTURE LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(Amount in millions)

Description	Notes	As At March 31, 2019		As At March 31, 2018	
ASSETS					
1. Non-Current Assets					
(a) Property, Plant and Equipment					
Tangible assets	3	100.38		68.80	
(b) Investment Property	4	527.02		645.02	
(c) Goodwill		6.30		6.30	
(d) Financial Assets					
(i) Investments	5	767.00		758.21	
(ii) Others	6	504.07		486.79	
(e) Deferred Tax Assets (net)		83.65		88.79	
(f) Other Non-Current Assets	7	59.35		159.35	
			2,047.78		2,213.26
2. Current Assets					
(a) Inventories	8	6,760.35		6,933.93	
(b) Financial Assets					
(i) Trade and other receivables	9	945.92		691.94	
(ii) Cash and cash equivalents	10	141.83		55.95	
(iii) Bank balances other than (ii) above	11	64.27		41.01	
(iv) Loans	12	514.23		326.14	
(v) Other current financial assets	13	221.15		21.71	
(c) Current Tax Assets (Net)		15.82		23.90	
(d) Other Current Assets	14	93.07	8,756.65	106.79	8,201.37
TOTAL			10,804.42		10,414.63
EQUITY					
1. Equity					
(a) Equity Share capital	15	1,500.00		1,500.00	
(b) Other Equity	16	111.85		171.69	
			1,611.85		1,671.69
LIABILITIES					
2. Non-Current Liabilities					
(a) Financial Liabilities					
Borrowings	17	1,838.93		3,611.00	
Provisions	18	26.04		20.35	
Other Non-Current Liabilities	19	1,322.03		1,319.96	
			3,187.00		4,951.32
3. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	20	2,399.99		1,203.28	
(ii) Trade payables	21	377.17		369.58	
(iii) Other current financial liabilities	22	1,415.10		1,557.47	
(b) Other Current Liabilities	23	1,813.07		660.45	
(c) Provisions	24	0.25		0.85	
			6,005.58		3,791.63
Total			10,804.42		10,414.63
Corporate information and significant accounting policies See accompanying notes to the financial statements	1 & 2				

As per our report of even date attached
for K.P.Rao & Co.

Chartered Accountants

Firm's Reg. no - 003135S

K.Viswanath
Partner
Membership No: 022812



for and on behalf of the Board

J.S.R.Raju
Director
DIN:01158196

G. Srinivasa Rao

G.Srinivasa Rao
Chief Financial Officer

Rajesh Kumar Yadav
Company Secretary

Hyderabad, May 08, 2019

NCC URBAN INFRASTRUCTURE LIMITED
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(Amount in million)

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As per our report of even date attached for K.P.Rao & Co.

Chartered Accountants
 Firm's Reg. no- 003135S

K/Viswanath
 Partner
 Membership No: 022812



for and on behalf of the Board

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J.S.R.Raju
 Director
 DIN:01158196

G. Srinivasa Rao

G.Srinivasa Rao
 Chief Financial Officer

Rajesh Kumar Yad
 Company Secretary

Hyderabad, May 08, 2019

NCC URBAN INFRASTRUCTURE LIMITED
Consolidated Cash Flow Statement for the Year Ended March 31, 2019

(Amount in millions)

Description	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Cash Flow from operating activities:		
Net Profit before taxation	184.09	56.04
Transition impact of Ind AS 115	-194.57	
Adjustment for		
Depreciation/ Amortisation	19.53	17.03
Provision for gratuity and leave encashment	5.08	-2.42
Interest and Finance charges	752.14	717.67
Net Gain/(Loss) on foreign currency transactions	-0.20	
Loss/(Profit) on sale of assets	-133.43	0.55
Operating Profit before Working Capital Changes	632.64	788.86
Adjustment for changes in		
Trade and other receivables	-531.21	-467.05
Inventories	173.58	-268.31
Trade payables and other liabilities	1,124.59	130.72
Cash used in operations	1,399.60	184.21
Taxes Paid	-49.99	15.65
Net cash generated in Operating Activities	1,349.61	199.86
B. Cash Flow from Investing Activities:		
Purchase of fixed assets and other capital expenditure	-75.66	-3.89
Sale of Fixed Assets	275.97	0.08
Investments in subsidiaries/Associates	-8.79	-12.65
Net cash generated/ (used) in Investing Activities	191.52	-16.46
C. Cash flow from Financing activities:		
Long term funds (repaid)/ borrowed	-497.10	-151.46
Repayment of short term borrowings	11.09	280.40
Proceeds from/(Repayment to) parent company	-1,449.72	759.98
Proceeds received from other corporates	1,590.00	920.00
Rpayments to other corporates	-394.00	-1,275.91
Interest paid	-692.25	-717.67
Net cash used in Financing Activities	-1,431.98	-184.66
Net change in Cash and Cash Equivalents (A+B+C)	109.15	-1.26
Cash and Cash Equivalents (Opening Balance)	96.96	98.22
Cash and Cash Equivalents (Closing Balance)	206.10	96.96

As per our report of even date attached
for K.P.Rao & Co.

Chartered Accountants

Firm's Reg. no - 003135S

K.Viswanath

Partner

Membership No: 022812



for and on behalf of the Board

J.S.R.Raju

Director

DIN:01158196

G.Srinivasa Rao

Chief Financial Officer

Rajesh Kumar Yadav
Company Secretary

Hyderabad, May 08, 2019

NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

A. EQUITY SHARE CAPITAL

Description	No of Shares	Amount
	Balance as at March 31, 2018	15,00,00,000
Add: Equity shares allotted during the year	-	0.00
Balance as at March 31, 2019	15,00,00,000	1,500.00

B. OTHER EQUITY

Particulars	Reserves and Surplus		Items of other comprehensive income	Total
	Retained Earnings	General Reserve		
Balance at March 31, 2017	-35.16	125.00	0.45	90.29
Profit for the year	80.61	0.00	0.00	80.61
Other comprehensive income for the year	0.00	0.00	0.79	0.79
Balance as at March 31, 2018	45.44	125.00	1.24	171.68
Transition impact of Ind AS 115 (Refer No. 32.e)	-194.57			-194.57
Profit for the period	135.87	0.00	0.00	135.87
Other comprehensive income for the year	0.00	0.00	-1.12	-1.12
Others	0.00	0.00	0.00	0.00
Balance at March 31, 2019	-13.26	125.00	0.11	111.85

(Amount in millions)

As per our report of even date attached for K.P.Rao & Co.

Chartered Accountants

Firm's Reg. no - 0031355

K.Viswanath
Partner
Membership No: 022812



for and on behalf of the Board

J.S.R.Raju
Director
DIN:0158196

Hyderabad: May 08, 2019

G.Srinivasa Rao
Chief Financial Officer

Rajesh Kumar Yada
Company Secretary

NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

NOTE 1: CORPORATE INFORMATION

NCC Urban Infrastructure Limited (“the Company”) was incorporated during 2005-2006 in Hyderabad. The Company is engaged in building/developing Residential /Commercial Buildings in various locations across India. The Company is a subsidiary of NCC Limited.

NOTE 2: ACCOUNTING POLICIES

A. Significant accounting policies:

2.1. Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

Upto the Year ended March 31, 2015, the Group prepared its consolidated financial statements in accordance with the requirements of previous generally accepted accounting principles (“Previous GAAP”), which includes Accounting Standards (“AS”) notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act, 1956 (“the 1956 Act”), as applicable.

2.2. Basis of preparation & presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period.

2.3. Principles of Consolidation

NCC Urban Infrastructure Limited consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries and the entities under its control as discussed in Note No.30.f. These are together referred to as “Group”. Subsidiaries are consolidated from the date control commences until the control ceases.

The consolidated financial statements of the Group as at 31st March, 2019 and for the period ended on that date have been prepared on the following basis:

a) The financial statements of the Company, its subsidiaries and Limited Liability Partnerships are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or losses in accordance with Ind AS 110 on “Consolidated Financial Statements” notified under the Companies (Indian Accounting Standards) Rules,2015..

b) Associates are entities over which the Group has significant influence but not control.

The Financial statements of the Associate have been accounted using the ‘Equity’ method as per Ind AS 110 on ‘Consolidated Financial Statements’ notified under the Companies (Indian Accounting Standards) Rules,2015. The investment is initially recognized at cost, and the carrying amount is increased/decreased to recognize the Company’s share of profit/loss of the associate after the acquisition date.

The Company’s investment in associate include goodwill identified on acquisition.

c) The Financial Statements of the subsidiaries and Associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2019.

d) The Excess of cost to the company of its investments in the subsidiaries and jointly controlled entities over the company’s portion of equity is recognized in the Financial Statements as Goodwill.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

- e) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.

2.4. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.5. Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is included in profit or loss for the period.

For transition into Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.6. Investment property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS 16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

2.7. Depreciation:

Depreciation on Property, plant and equipment and Investment property is being provided in the manner and as per the useful lives as specified in Schedule II to the Companies Act, 2013 on all the assets except for Construction Accessories, which were depreciated over 5 years, based on the management's estimate of useful life of such assets.

No depreciation is charged on capital work in progress and free hold land.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

2.8. Goodwill:

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the statement of profit and loss. Goodwill is measured at cost less accumulated impairment losses.

2.9. Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows, on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES
Notes forming part of Consolidated financial statements

2.10. Impairment of Assets:

Property, plant and equipment: Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial Assets: The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

2.11. Inventories

a. Raw Materials:

Raw Materials, Construction materials and stores and spares are valued at weighted average cost. Cost excludes refundable duties and taxes.

b. Work-in-progress:

- i. Completed properties held for sale are stated at the actual cost or net realizable value, whichever is lower.
- ii. Construction work-in-progress is valued at cost. Cost is sales value less estimated profit margin.

c. Property Development:

Properties held for sale or development is valued at cost. Cost comprises cost of land and direct development expenditure.

2.12. Revenue Recognition:

Revenue from contracts with customers:

As required by Ind AS 115- Revenue from Contracts with Customers, the Company recognizes revenue from its contracts with customers after identifying the contract, identifying the performance obligations in the contract, determining transaction price, allocating transaction price to the performance obligations and recognizing revenue as and when the performance obligations are satisfied. The company is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognizing revenue.

The company has assessed and determined that the performance obligations for all its revenue streams are performed at a point in time. For transition to Ind AS 115, the company has chosen the modified retrospective approach and adjusted the net impact of transition to Ind AS 115 in the Reserves as on 1st April 2018.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.13. Employee Benefits:

Liability for Employee benefits both short and Long Term, for present and past services as per the terms of employment are recorded in accordance with Ind AS 19 "Employee Benefits" notified under the Companies (Indian Accounting Standards) Rules,2015.

a. Retirement benefit costs and termination benefits:

Payment to defined contribution retirement benefit plans are recognised as an expenses when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) , is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

b. Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense.

c. Compensated Absences:

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and the recognized in the Statement of Profit and Loss.

2.14. Taxes:

Income tax expense represents sum of the tax currently payable and deferred tax

Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Taxes:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.15. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/(loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.16. Earnings Per Share :

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period/year.

2.17. Leases:

The company's leasing arrangements are mainly in respect of operating leases for premises. The aggregate lease rents payable are charged as rent in the Statement Profit and Loss.

2.18. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

2.19. Operating cycle:

The Company adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified into current and non-current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.20. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

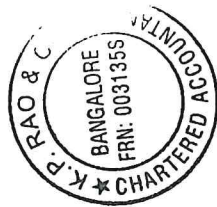
A contingent asset is a possible asset that may arise because of a gain that is contingent on future events that are not under an entity's control. Existence of the contingent asset is required to be disclosed when the inflow of economic benefits is probable.



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

Description	(Amount in millions)										
	Plant and Machinery	Construction Accessories	Tools and Equipment	Office Equipment	Furniture and Fixtures	Construction Vehicles	Office Vehicles	Lease Hold Improvements	Capital work in progress	Total	
Cost as at March 31, 2018	108.34	71.18	2.99	16.40	7.59	0.51	6.10	10.55	0.00	223.66	
Additions	13.99	29.92	1.00	0.56	1.14	2.95	0.34	0.00	0.00	49.92	
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Cost as at March 31, 2019	122.33	101.11	3.99	16.96	8.73	3.46	6.45	10.55	0.00	273.58	
Accumulated depreciation March 31, 2018	57.37	61.80	1.03	14.57	6.39	0.48	4.24	8.96		154.86	
Depreciation for the year	9.29	6.44	0.30	0.78	0.53	0.22	0.72	0.05		18.34	
Depreciation on deletions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
Accumulated depreciation March 31, 2019	66.66	68.25	1.33	15.36	6.92	0.71	4.97	9.01	0.00	173.20	
Net Carrying amount as at March 31, 2019	55.67	32.86	2.66	1.61	1.81	2.76	1.48	1.54	0.00	100.38	



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

NOTE : 4 INVESTMENT PROPERTY

Description	(Amount in milli)		
	Land	Building	Total
Cost as at March 31, 2018	615.38	31.43	646.81
Additions	0.00	25.74	25.74
Disposals	142.54		142.54
Cost as at March 31, 2019	472.84	57.17	530.01
Accumulated depreciation March 31, 2018	0.00	1.79	1.79
Depreciation for the year	0.00	1.20	1.20
Depreciation on deletions			0.00
Accumulated depreciation March 31, 2019	0.00	2.98	2.98
Net Carrying amount as at March 31, 2019	472.84	54.19	527.02

Fair value of the investment properties

The fair value of the investment properties as at March 31, 2018 Rs 646.81/- and as at March 31, 2019 Rs. 530.01 Millions have been arrived at on the basis of a valuation carried out as on the respective dates. For the buildings given under operating lease which are located in India, the fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the investment properties and information about the fair value hierarchy as at March 31, 2019, March 31, 2018, are as follows:

	Level 2	Level 3	Fair value as at 31.03.2019
Investment Property	530.01		530.01
Total	530.01	0.00	530.01

	Level 2	Level 3	Fair value as at 31.03.2018
Investment Property	530.01	0.00	530.01
Total	530.01	0.00	530.01



NCC URBAN INFRASTRUCTURE LIMITED
Notes Forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Particulars	As At March 31, 2019		As At March 31, 2018	
	Nos.	Rupees	Nos.	Rupees
NOTE - 5				
NON-CURRENT INVESTMENTS				
A) INVESTMENTS CARRIED AT FAIR VALUE THROUGH P&L				
Fully paid equity shares (unquoted) - (Refer Note 1)		767.00		758.21
B) DETAILS OF INVESTMENTS				
IN TRADE INVESTMENTS				
In Equity Shares of LKR 10/- each, fully paid up (unquoted)				
NCC Urban Lanka (Private) Limited	2	0.00	2	0.00
IN ASSOCIATE				
In Equity Shares of Rs.10/- each, fully paid up (Unquoted)				
Varapradha Real Estates Private Limited	1,33,44,973	714.99	1,33,44,973	714.99
Add/(Less):				
Share of Profit/(Loss) on Consolidation		52.01		43.22
Total		767.00		758.21

Note 1: Investments in wholly owned subsidiaries and limited liability partnership firms include interest free unsecured loans of Rs. 269.95 Millions as at March 31, 2019 (as at March 31, 2018, Rs 418.40 Millions)

These loans are equity support and capital contribution in nature and given for the purpose of investments in the assets of the respective entities and are repayable as and when such assets are liquidated.

In view of the same, the said loans given were treated as investments and added to the initial cost of the equity instruments

Note 2: These Shares are pledged to M/s Varapradha Real Estates Pvt Ltd, in respect of loan availed by NJC Avenues Pvt Ltd.

Note 3: 8 Private Limited companies have been converted into Limited Liability Partnerships. Previous year figures are given for respective private limited companies.



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	As At March 31, 2019		As At March 31, 2018	
6	OTHER FINANCIAL ASSETS				
	Security Deposits				
	Deposits - Joint Development (refer 6.a,6.b)	488.21		472.87	
	Deposits - Utilities and Others	15.86		13.92	
	Total		504.07		486.79
6.a	Deposits-Joint Development represents deposits with respective land owners against registered Joint Development Agreements (JDAs)/Memorandum of Understanding(MOU). The lands under respective JDA's /MOU are in the possession of the company. The company is assessing the market scenario and accordingly initiate execution of the project/s at an appropriate time.				
6.b	Deposits - Joint development are interest free, refundable deposits and the gross amount as at March 31, 2019 Rs 623.26/- Millions(PY Rs.657.26/- Millions) These deposits are valued at amortised cost and the difference between the carrying values and the present value as at the IND AS transition date is charged to Opening balance of Retained Earnings in case of the projects substantially in progress/completed as at that date and in other cases, to Inventory.				
7	OTHER NON- CURRENT ASSETS				
	Advances for Purchase of Land (refer 7.a)	59.35		159.35	
	Total		59.35		159.35
7.a	Advances for Purchase of Land represent advances paid towards two properties during the years from 2005-2006 to 2008-2009, in respect of which agreements have expired. Company is confident of negotiating with the respective vendors for extension of the agreements and/ or registration as per mutually agreed terms or for recovery of advances.				
8	INVENTORIES				
	Materials	134.45		105.38	
	Work-in-progress	5,038.53		5,171.56	
	Finished Goods - Tiles Trading	40.35		41.31	
	Property & Development Cost	1,547.02		1,615.68	
	Total		6,760.35		6,933.93
9	TRADE AND OTHER RECEIVABLES (unsecured, considered good)				
	Trade Receivables	945.92		691.94	
	Total		945.92		691.94



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	As At March 31, 2019		As At March 31, 2018	
10	CASH AND CASH EQUIVALENTS:				
	Cash on Hand	0.42		0.31	
	Balances with Scheduled Banks:				
	- in Current Account	141.41		55.64	
	Total		141.83		55.95
11	BANK BALANCES OTHER THAN ABOVE				
	Balances with Scheduled Banks:				
	- in Deposit Account	43.87		0.10	
	Deposits of Maturity for more than 12 months - (refer 11a)	12.64		26.15	
	Margin Money Deposit (Lodged with banks for guarantees issued)	7.75		14.76	
	Total		64.27		41.01
11a	Represents deposits for Debt Service Reserve Rs 12.64/- millions including Interest accrued (Previous Year - Rs 26.15/-) millions, pursuant to the conditions of Term Loan agreement with ICICI Bank.				
12	LOANS (Unsecured, considered good)				
	Loans and Advances to Related Parties Advances to Varapradha Real Estate Pvt Ltd (Associate)	514.23		326.14	
	Total		514.23		326.14
13	OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)				
	Retention Money	21.64		19.36	
	Advances recoverable in cash or kind or for value to be received	1.85		2.35	
	Insurance Claim Receivable	5.00			
	Other Receivables	192.65			
	Total		221.15		21.71
14	OTHER CURRENT ASSETS Other Loans and Advances (Unsecured, considered good)				
	Advances to Suppliers, Sub-contractors and Others	72.58		79.74	
	Mobilisation Advance	0.00		0.00	
	Service Tax Receivable/VAT Receivable/Advance for Sales Tax	19.92		25.71	
	Prepaid Expenses	0.58		1.35	
	Total		93.07		106.79



NCC URBAN INFRASTRUCTURE LIMITED

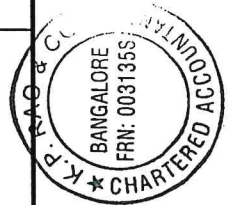
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

A. EQUITY SHARE CAPITAL

Description	No of Shares	Amount
Balance as at March 31, 2018	15,00,00,000	1,500.00
Add: Equity shares allotted during the year	-	0.00
Balance as at March 31, 2019	15,00,00,000	1,500.00

B. OTHER EQUITY

Particulars	Reserves and Surplus		Items of other comprehensive income	Total
	Retained Earnings	General Reserve		
Balance as at March 31, 2018	45.44	125.00	1.24	171.68
Transition impact of Ind AS 115 (Refer No. 32.c)	-194.57			-194.57
Profit for the period	135.87	0.00	0.00	135.87
Other comprehensive income for the year	0.00	0.00	-1.12	-1.12
Others	0.00	0.00	0.00	0.00
Balance at March 31, 2019	-13.26	125.00	0.11	111.85



NOTE 16: OTHER EQUITY

(Amount in millions)

Particulars	Reserves and Surplus		Items of other comprehensive income	Total
	Retained Earnings	General Reserve		
	Actuarial Gain / (Loss)			
Balance at March 31, 2018	45.44	125.00	1.24	171.68
Transition impact of Ind AS 115 (Refer No. 32.c)	-194.57			-194.57
Profit for the period	135.87			135.87
Other comprehensive income for the year	0.00		-1.12	-1.12
Others				
Balance at March 31, 2019	-13.26	125.00	0.11	111.85



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	As At March 31, 2019		As At March 31, 2018	
15	SHARE CAPITAL Authorised 150,000,000 Equity Shares of Rs.10/-each Issued, Subscribed and Paid Up 150,000,000 Equity Shares of Rs.10/-each fully paid Total		1,500.00		1,500.00
			1,500.00		1,500.00
			1,500.00		1,500.00
			1,500.00		1,500.00
15.a	Reconciliation of the number of Shares Outstanding:				
	Description	As At March 31, 2019		As At March 31, 2018	
			Number		Number
	At the beginning of the year		15,00,00,000		15,00,00,000
At the end of the year		15,00,00,000		15,00,00,000	
15.b	The company has only one class of shares - Equity shares having a par value of Rs. 10/- per each share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board is subject to approval by the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the share holder.				
15.c	Shares held by the Holding Company:				
	Description	As At March 31, 2019		As At March 31, 2018	
		Number	Amount (Rs.)	Number	Amount (Rs.)
	N C C LIMITED - Holding Company	12,00,00,000	1,200.00	12,00,00,000	1,200.00
15.d	Details of shareholders holding more than 5% of shares in the Company:				
	Name of Shareholder	As At March 31, 2019		As At March 31, 2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	N C C LIMITED Holding Company	12,00,00,000	80%	12,00,00,000	80%
	AVSR Holdings Limited	3,00,00,000	20%	3,00,00,000	20%
	Total	15,00,00,000	100%	15,00,00,000	100%



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	Non-Current		Current	
		As At March 31, 2019		As At March 31, 2018	
		As At March 31, 2019	As At March 31, 2018	As At March 31, 2018	As At March 31, 2018
17	BORROWINGS				
	From Banks :				
	Secured Term Loan - ICICI Bank - (refer 17.a, b)	-0.00	258.98	327.91	428.17
	Less : Disclosed under Current Liabilities		-258.98		-428.17
	B) Unsecured				
	From Holding company - (refer 17.c)	1,833.37	1,000.00	3,283.09	1,000.00
	Less : Disclosed under Current Liabilities		-1,000.00		-1,000.00
	Equipment Finance (Assets)	5.56	4.82		
	Less : Disclosed under Current Liabilities		-4.82		0.00
	Total	1,838.93	0.00	3,611.00	0.00
17.a	<p>The company entered into a Facility Agreement with ICICI Bank Ltd for availing term loans aggregating to Rs 1300 Millions receivable in 5 tranches - RTL 1 - Rs 200 Millions; RTL 2 - Rs 250 Millions, RTL 3 - Rs 300 Millions, RTL 4 - Rs 350 Millions, RTL 5 - Rs 200 Millions. The said Term loan consists of five components - RTL -1,2,3,4,5.</p> <p>RTL 1, 2, 3 shall be utilized towards repayment of unsecured loans from NCC Limited which were interalia utilized towards project development expenses of NCC Urban Meadows II, Bengaluru, NCC Urban Nagarjuna Residency, Hyderabad, NCC Urban Gardenia, Hyderabad. RTL 1, 2, 3 shall be repayable in 36 structured monthly instalments commencing from 15th August, 2016 and ending on 15th July, 2019.</p> <p>RTL 4 and 5 shall be utilized towards construction cost of NCC Urban Gardenia, Hyderabad and NCC Urban Green Province, Bengaluru. RTL 4 and 5 shall be repayable in 36 structured monthly instalments commencing from 15th August, 2017 and ending on 15th July, 2020.</p> <p>Term Loan carry an interest rate of bank's "I-Base" rate plus a spread. The rate of interest, as at 31.03.2019 aggregates to 12.50%.</p> <p>(a) Exclusive charge by way of equitable mortgage on Company's share of Unsold units in NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru.</p> <p>(b) Second and subservient charge by way of equitable mortgage on approx 11,545 sqft and 32,495 sqft of saleable area mortgaged to Greater Hyderabad Municipal Corporation (GHMC) in NCC Urban Nagarjuna Residency - Hyderabad and of NCC Urban Gardenia - Hyderabad, respectively.</p> <p>(c) Exclusive charge by way of hypothecation on the future scheduled receivables of NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru and all the insurance proceeds, both present and future.</p> <p>(d) Exclusive charge by way of registered hypothecation on the Escrow accounts of NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru and the Debt Service Reserve (DSR) Account all monies credited/deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be).</p> <p>(e) Exclusive charge by way of equitable mortgage on landparcel/ property located in Semmenchery on the Old Mahabalipuram Road, Chennai to the extent There are no overdue's towards Principal or Interest as on March 31, 2019 .</p>				
17.b	Long term borrowings are net of unamortised transaction costs of Rs 0.95 Millions/- as at March 31, 2019 (PY Rs 4.79 Millions /-)				
17.c	Unsecured Loan from Holding Company is repayable within a period of 12 months and carry interest rate of 12% per annum.				



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	As At March 31, 2019		As At March 31, 2018	
18	PROVISIONS: for Gratuity for Leave Encashment Total		16.04 10.00 26.04		12.32 8.03 20.35
19	OTHER NON-CURRENT LIABILITIES Advance from Varapradha Real Estates Pvt Ltd (Associate) Total	1,322.03		1,319.96	
			1,322.03		1,319.96
20	BORROWINGS A) Secured Term Loan - Aditya Birla Finance Limited - (refer 20.a) Cash Credit- (refer 20.b) B) Unsecured From Other Corporates & Directors - (refer 20.c) Total	1,810.00	550.00 39.99 1,810.00	614.00	550.00 39.28 614.00 1,203.28
20.a	The company during the current year, entered into a Loan Agreement with Aditya Birla Finance Limited for availing term loan aggregating to Rs 550 Millions. Term Loan carry an interest rate of 10.50% as at March 31, 2019 by securing NCC Limited Shares held by Sirisha Projects Private Limited.				
20.b	Working Capital facility of Rs.109.30 Millions is from Bank of India, Mid-corporate branch, Hyderabad, carry an interest @ 14% and is secured by: a) First charge on the Fixed and Current Assets of the Façade Division by way of hypothecation b) Equitable Mortgage of Ac.8.30 and Ac.9.60 of lands of Dhatri Developers and Projects Pvt Ltd and Sushruta Real Estates Private Limited respectively. c) The facility is further secured by Corporate Guarantee provided by subsidiary companies namely Dhatri Developers and Projects Private Limited and Sushruta Real Estates Private Limited.				
20.c	Repayable within a period of 12 months and carry interest rate of 12% per annum				
21	TRADE PAYABLES Supplies Services & Expenses Contractor - NCC Ltd Total		266.81 110.36 0.00 377.17		236.35 129.68 3.55 369.58
21.a	The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act are not possible.				
22	OTHER CURRENT FINANCIAL LIABILITIES Current Maturities of Long Term Debt Interest Accrued but not due Retention Money Total		1,263.79 64.04 87.27 1,415.10		1,428.17 4.15 125.15 1,557.47
23	OTHER CURRENT LIABILITIES Advance from Customers Advance from Others Statutory Dues Total		1,261.59 482.48 69.00 1,813.07		510.80 139.14 10.51 660.45
24	PROVISIONS Employee benefits Gratuity Leave Encashment Total	0.16 0.09	0.25	0.56 0.29	0.85 0.85



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	Year Ended March 31, 2019		Year Ended March 31, 2018	
25	REVENUE FROM				
	Real Estate Division	3,145.45		1,200.22	
	Manufacturing Division	3.66		18.67	
	Tiles Trading Division	1.15		3.34	
	Works Contracts	343.14		268.97	
	Technical & Professional Charges	0.49		7.59	
	Compensation received from KIADB	249.73			
	Maintenance Income	69.12		86.11	
			3,812.75		1,584.90
	Less: GST, Service Tax and VAT		161.95		127.38
	Less: Rebates		0.01		0.43
	Total		3,650.78		1,457.09
26	OTHER INCOME				
	Interest income - from Banks/Others		68.03		-47.62
	Profit/(Loss) on sale of Assets		133.43		0.04
	Credit Balances written back		4.65		0.00
	Rental Income		24.31		12.33
	Net Gain/(Loss) on foreign currency transactions		0.20		
	Miscellaneous Receipts		0.88		1.20
	Fair Value Adjustments		48.00		61.24
	Total		279.51		122.42
27	COST OF MATERIALS CONSUMED				
	Material Consumption				
	Cement	119.84		66.81	
	Steel	128.80		44.98	
	Other Construction Materials	262.39		301.90	
	Cost of Sales - Tile Trading	0.96		0.35	
			511.98		414.04
	Construction expenses				
	Contractor Work Bills	168.65		115.07	
	Property development expenses	50.78		6.39	
	Stores and Spares	41.80		20.44	
	Power Charges	12.31		4.10	
	Transport Charges	5.23		2.53	
	Labour Charges	261.16	539.92	218.22	366.75
	Total		1,051.90		780.78
28	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS				
	Property development				
	- Opening Balance	1,615.68		1,609.91	
	- (Less): Transfer to Investment Property	0.00		0.00	
	- Closing Balance	1,547.02	68.66	1,615.68	-5.77
	Construction Work-in-Progress				
	- Opening Balance	5,171.56		4,941.53	
	- (Add): Transition impact of Ind AS 115	1,376.31			
	- (Less): Transfer to Investment Property	-25.74		0.00	
	- Fair Value Adjustments	0.00		0.00	
	- Closing Balance	5,038.53		5,171.56	
			1,483.61		-230.03
	Total		1,552.27		-235.80



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Consolidated Financial Statements as at March 31, 2019

(Amount in millions)

Notes No	Description	Year Ended March 31, 2019		Year Ended March 31, 2018	
29	EMPLOYEES BENEFIT EXPENSES				
	- Salaries and Other Benefits		110.09		103.14
	- Contribution to Provident Fund and Other Funds		11.98		10.62
	- Staff Welfare Expenses		3.16		2.14
	Total		125.23		115.90
30	FINANCE COSTS				
	Interest expense on				
	Term Loans	65.89		111.54	
	Cash Credit facility	7.20		5.85	
	Others	669.50		592.42	
			742.59		709.81
	Financial Charges				
	Commission on - Bank Guarantees	1.83		0.65	
	Processing Charges	3.83		6.58	
	Bank Charges	3.89		0.63	
			9.54		7.86
	Total		752.14		717.67
31	OTHER EXPENSES				
	Repairs and Maintenance				
	- Machinery	2.69		0.70	
	- Others	6.40		10.78	
	Hire Charges for Machinery and Others	8.13		3.62	
	Technical Consultation	12.88		7.13	
	Watch and Ward	26.30		21.11	
	Rent, Rates and Taxes	21.69		47.95	
	Office Maintenance	3.71		2.96	
	Electricity & Water Charges	7.87		11.82	
	Postage, Telegrams and Telephones	1.52		1.52	
	Travelling and Conveyance	11.98		4.96	
	Printing and Stationery	1.94		0.90	
	Insurance	3.12		1.60	
	Advertisement	23.96		10.45	
	Legal and Professional Charges	8.57		4.59	
	Business Promotion Expenses	1.06		0.79	
	Auditors' Remuneration	1.14		0.91	
	Directors Sitting Fees	0.45		0.51	
	Marketing Expenses	1.15		8.96	
	Debit balances written off	104.81		0.00	
	Miscellaneous Expenses	3.00		0.47	
	Total		252.36		141.73



2.a Contingent Liability:

1. Bank Guarantees furnished to Statutory Authorities and Government bodies is Rs.57 60 Millions/- (Previous Year Rs.20.86 Millions/-)
2. The company has received a demand order of Rs 30.30 Millions/- along with interest & penalty from the Office of Central Tax-GST Commissionerate with respect to service tax on land owners' share in residential projects from the FY 2012-13 to 2014-15. The company has filed appeal before the Appellate Tribunal (CESTAT) against the order on October 12, 2017.

2.b Employee Benefit plans

i. Defined contribution plan:

The Company makes Provident Fund contribution for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 10.59 Millions/- (March 31, 2018 Rs 10.24 Millions/-) for Provident Fund contributions in the Statement of Profit and Loss.

ii. Defined benefit plan:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. Unfunded Liability for retiring gratuity as at March 31, 2019 is Rs 16.19 Millions/- (March 31, 2018: Rs 12.88 Millions/-). The liability for gratuity has been actuarially determined and provided for in the books.

Changes in Present Value of Obligation as at	31-03-2019	31-03-2018
Present value of obligation as on last valuation	13.24	14.83
Current Service Cost	1.93	1.59
Interest Cost	0.97	0.98
Participant Contribution	N/A	N/A
Plan Amendments: Vested portion at end of period(Past Service)	0.00	1.51
Plan Amendments: Non-Vested portion at end of period(Past Service)		
Actuarial gain/loss on obligations due to Change in Financial Assumption	0.02	-0.40
Actuarial gain/loss on obligations due to Change in Demographic assumption	0.00	0.00
Actuarial gain/loss on obligations due to Unexpected Experience	1.58	-1.14
Actuarial gain/loss on obligations due to Other reason		
The effect of change in Foreign exchange rates		
Benefits Paid	1.35	4.12
Acquisition Adjustment		
Disposal/Transfer of Obligation		
Curtailment cost		
Settlement Cost		
Other(Unsettled Liability at the end of the valuation date)		
Present value of obligation as on valuation date	16.38	13.24

Changes in Fair Value of Plan Assets as at	31 March 2019	31 March 2018
Fair value of Plan Assets at Beginning of period	0.35	0.97
Interest Income	0.03	0.07
Employer Contributions	1.13	3.81
Participant Contributions		
Acquisition/Business Combination		
Settlement Cost		
Benefits Paid	1.35	4.12
The effect of asset ceiling		
The effect of change in Foreign Exchange Rates		
Administrative Expenses and Insurance Premium		
Return on Plan Assets excluding Interest Income	0.03	-0.37
Fair value of Plan Assets at End of measurement period	0.19	0.35

Table Showing Reconciliation to Balance Sheet	31 March 2019	31 March 2018
Funded Status	-16.20	-12.88
Unrecognized Past Service Cost	0.00	0.00
Unrecognized Actuarial gain/loss at end of the period	0.00	0.00
Post Measurement Date Employer Contribution(Expected)	0.00	0.00
Unfunded Accrued/Prepaid Pension cost	N/A	N/A
Fund Asset	0.19	0.35
Fund Liability	16.38	13.24

Discount Rate	0	0
Expected Return on Plan Asset	0	0
Rate of Compensation Increase(Salary Inflation)	0	0
Pension Increase Rate	N/A	N/A
Average expected future service (Remaining working Life)	0.00	0.00
Average Duration of Liabilities	0.00	0.00

Mortality Table	IALM 2006-2008 Ultimate	IALM 2006-2008 Ultimate
Superannuation at age-Male	60	60
Superannuation at age-Female	60	60
Attrition Rate	1%	1%
Voluntary Retirement	Ignored	Ignored

Expense Recognized in Statement of Profit/Loss as at	31 March 2019	31 March 2018
Current Service Cost	1.93	1.59
Past Service Cost(vested)	0.00	1.51
Past Service Cost(Non-Vested)		0.00
Net Interest Cost	0.94	0.91
Cost(Loss)/(Gain) on settlement		0.00
Cost(Loss)/(Gain) on curtailment		0.00
Net Actuarial Gain loss		0.00
Employee Expected Contribution		0.00
Net Effect of changes in Foreign Exchange Rates		0.00
Benefit Cost(Expense Recognized in Statement of Profit/loss)	2.87	4.01

Other Comprehensive Income	31 March 2019	31 March 2018
Actuarial gain/loss on obligations due to Change in Financial Assumption	0.02	-0.40
Actuarial gain/loss on obligations due to Change in Demographic assumption	0.00	0.00
Actuarial gain/loss on obligations due to Unexpected Experience	1.58	-1.14
Actuarial gain/loss on obligations due to Other reason		
Total Actuarial (gain)/losses	1.60	-1.55
Return on Plan Asset, Excluding Interest Income	0.03	-0.37
The effect of asset ceiling		
Balance at the end of the Period	1.57	-1.18
Net(Income)/Expense for the Period Recognized in OCI	1.57	-1.18



Sensitivity Analysis Description	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	15.30	17.57	12.34	14.25
%Change Compared to base due to sensitivity	-6.59%	7.24%	-6.80%	7.49%
Salary Growth (-/+ 0.5%)	17.38	15.44	14.07	12.45
%Change Compared to base due to sensitivity	6.07%	-5.74%	6.25%	-5.94%
Attrition Rate (-/+ 0.5%)	16.41	16.35	13.27	13.21
%Change Compared to base due to sensitivity	0.19%	-0.19%	0.20%	-0.20%
Mortality Rate (-/+ 10%)	16.52	16.24	13.35	13.12
%Change Compared to base due to sensitivity	0.85%	-0.85%	0.86%	-0.86%

Table Showing expected return on Plan Asset at end Measurement Period	31 March 2019	31 March 2018
Current liability	0.16	0.56
Non-Current Liability	16.22	12.67
Net Liability	16.38	13.24

2.c. Depreciation with effect from April 1, 2014 has been provided adopting the useful life of the fixed assets and transition provisions relating thereto as specified in Schedule II to the Companies Act, 2013.

2.d. Earnings per Share

(Amount in millions)				
No	Particulars	Period Ended March 31, 2019	Period Ended December 31, 2017	
	Net Profit/(Loss) available for equity shareholders	135.87	80.61	
		Nos.	Nos.	
	Weighted Average number of equity shares for Basic EPS	15,00,00,000	15,00,00,000	
	Weighted Average number of equity shares for Diluted EPS	15,00,00,000	15,00,00,000	
	Face value per share	10/-	10/-	
	Basic and Diluted EPS	0.91	0.54	

2.e. Through a Notification dated 28th March 2018, the Ministry of Corporate Affairs has indicated 1st April 2018 as the effective date for the implementation of Ind AS 115- Revenue from Contracts with Customers. The Company implemented Ind AS 115- Revenue from Contracts with Customers with effect from 01.04.2018. The company has assessed and determined that the performance obligations for all its revenue streams are performed at a point in time.

For Transition to Ind AS 115, the Company has applied the modified retrospective approach to contract that were not completed as of 1 April 2018 and has given impact of Ind AS 115 application by debit to retained earnings as at the said date by Rs. 194.57 Millions. Accordingly the comparatives have not been restated and hence not comparable with previous period figures. Due to the application of Ind AS 115 for the year ended 31 March, 2019, revenue from operations higher by Rs. 1425.01 millions and net profit is higher by Rs. 172.93 millions, vis-a-vis the amounts if replaced standards were applicable.

2.f. The subsidiary companies and Associate considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	
		Current Year	Previous Year
Shatri Developers And Projects Private Limited	India	100%	100%
Ushanti Avenues Private Limited	India	100%	100%
Ushruta Real Estates Private Limited	India	100%	100%
SVS Property Developers Private Limited	India	100%	100%
IC Homes Private Limited	India	100%	100%
IA Property Developers Private Limited	India	100%	100%
Ushanthi Housing Private Limited	India	100%	100%
Uera Avenues Private Limited	India	100%	100%
Uri Raga Nivas Ventures Private Limited	India	100%	100%
Uara Infrastructure Private Limited	India	100%	100%
Uadha Real Estates Private Limited	India	100%	100%
Uallelavanam Property Developers Private Limited	India	100%	100%
UCC Urban (Lanka) Private Limited	Sci Lanka	100%	100%
UJC Avenues Private Limited	India	100%	100%
Uripada Homes Private Limited	India	100%	100%
Uagarjuna Suites Private Limited	India	100%	100%
UCC Urban Homes Private Limited	India	100%	100%
UCC Urban Meadows Private Limited	India	100%	100%
UCC Urban Ventures Private Limited	India	100%	100%
UCC Urban Villas Private Limited	India	100%	100%
Associate:			
Uaraprada Real Estates Private Limited	India	40%	40%
Partnership Firm:			
UR Avenues	India	100%	100%
Limited Liability Partnership Firms			
UKHS Homes LLP	India	100%	100%
Uri Raga Nivas Property Developers LLP	India	100%	100%
USN Property Developers LLP	India	100%	100%
Uedannath Real Estates LLP	India	100%	100%
Uandyala Real Estates LLP	India	100%	100%
URG Estates LLP	India	100%	100%
Uhrilekya Real Estates LLP	India	100%	100%
Uarna Infrastructure LLP	India	100%	100%



2.g. In respect of a subsidiary company, NCC Urban Lanka (Private) Limited, there are no transactions since incorporation, hence not considered for consolidation.

2.h. **Related Party Transactions**

2.i.1 **List of related parties and relationships:**

A Holding Company

1 NCC Limited

B Subsidiaries

2 0

3 Holding Company

4 NCC Limited

5 Subsidiaries

6 CSVS Property Developers Private Limited

7 Dharru Developers Private Limited

8 JJC Homes Private Limited

9 M A Property Developers Private Limited

10 Malleavanam Property Developers Private Limited

11 Sushanti Housing Private Limited

12 Sradha Real Estates Private Limited

13 Sushrutha Real Estate Private Limited

15 Sushant Avenues Private Limited

16 Vera Avenues Private Limited

17 Vara Infrastructure Private Limited

18 NJC Avenues Private Limited (Refer Note 2)

19 Siripada Homes Private Limited

20 Nagarjuna Suites Private Limited

21 NCC Urban Ventures Private Limited

22 NCC Urban Homes Private Limited

C VSN Property Developers LLP

23 Kedarnath Real Estates LLP

24 Nandyala Real Estates LLP

25 PRG Estates LLP

26 Thirulekya Real Estates LLP

27 Varma Infrastructure LLP

28 Fellow Subsidiary

29 NCC Vizag Urban Infrastructure Limited

30 Patmitop Ropeway and Resorts Limited

C Fellow Subsidiary

31 NCC Vizag Urban Infrastructure Limited

32 Patmitop Ropeway and Resorts Limited

D Key Management Personnel (KMP) & relatives of KMP

33 Sri A.A.V.Ranga Raju, Director

34 Sri A.G.K.Raju, Director

35 Sri N.R. Alluri, Managing Director

36 Smt. A. Bharathi Raju, Whole Time Director

37 Sri J.S.R.Raju, Whole Time Director

38 Srinivasa Rao G, Chief Financial Officer

39 Ravi Kumar U, Company Secretary

E Associates

40 Varapradha Real Estates Private Limited

F Enterprises owned and significantly influenced by key management personnel or their relatives

41 Sirisha Projects Pvt Ltd

42 Armesh Ventures Pvt Ltd

43 Bhuvamesh Realtors Pvt Ltd

44 Lalit Agro Farms Pvt Ltd

45 Mihika Agro Farms Pvt Ltd

46 Narasimha Developers Pvt Ltd

47 Ruthvik Estates Pvt Ltd

48 Shyamala Agro Farms Pvt Ltd

49 Suguna Estates Pvt Ltd



12.j.2. Related Party transactions during the year ended March 31, 2019 are as follows:

(Amount in millions)

S. No	Particulars	Holding Company	Key Management Personnel and their relatives	Subsidiaries	Jointly Controlled Entity	Fellow Subsidiary	Enterprises owned and significantly influenced by key management personnel or their relatives
1	Unsecured Loans taken		1,095.59				
			1,447.02				
2	Unsecured Loans Repaid		2,545.31				
			1,246.94				
3	Investments		0.00	0.00	0.00		
			0.00	0.00	0.00		
4	Mobilization Advance Received		0.00				
			0.00				
5	Advance granted/ (Received)		0.00		188.09	3.05	
			0.00		38.29	2.39	
6	Real estate sales		0.00				
			0.00				
7	Sales (in Façade)		1.09				
			5.18				
8	Purchase of Fixed Assets		8.96				
			0.00				
9	Interest received/acrued		0.00		64.71		
			0.00		44.39		
10	Contractor Work Bills		0.00				
			0.00				
11	Managerial Remuneration			12.00			
				12.00			
12	Remuneration to CFO and CS			2.91			
				2.38			
13	Interest paid /Provided		497.27	1.37			
			480.65	1.89			
14	Rent Paid/Provided		0.53				2.40
			0.53				2.84
Credit Balances as on March 31, 2019							
15	NCC Limited	2,819.89					
		4,320.48					
16	NJC Avenues Private Limited			0.45			
				0.47			
17	Alluri Anantha Venkata Ranga Raju			49.69			
				0.00			
18	Alluri Gopala Krishnam Raju			32.24			
				1.79			

12.j.3. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

(Amount in millions)

Particulars	Year Ended 31 March 2019	Year Ended 31 March 2018
Unsecured Loans taken		
NCC Limited	1,095.59	1,520.78
Unsecured Loans repaid		
NCC Limited	2,545.31	1,246.94
Advance granted/(Taken)		
NCC Vizag Urban Infrastructure Limited		1.46
Patnirop Kopeyay and resorts Private Limited		0.94
Vampradha Real Estates Private Limited	188.09	72.28
Sales (Façade Division)		
NCC Limited	1.09	5.18
Purchase of Fixed Assets	8.96	
NCC Limited		
Contractor Work Bills		
NCC Limited	0.00	0.00
Interest paid/provided		
NCC Limited	497.27	-480.65
Managerial Remuneration		
Smt. A. Bharathi Raju, Whole Time Director	6.00	6.00
Sri.J.S.R.Raju, Whole Time Director	6.00	6.00
Remuneration to CFO and CS:		
Srinivasa Rao G, Chief Financial Officer	1.96	1.67
Rajesh Kumar Yadav, Company Secretary	0.95	0.71
Rent Paid		
NCC Limited	0.53	0.53
Enterprises owned and significantly influenced by KMP or their relatives	2.56	2.40



32.j. Deferred Tax Asset

Deferred Tax Asset as at March 31, 2019 comprises of the following.

(Amount in Rupees)

Description	Year Ended 31 March 2019	Year Ended 31 March 2018
(A) Deferred Tax Assets on Timing differences due to :		
Provision for Leave Encashment and Gratuity	8.38	12.34
Business loss	63.56	77.94
Depreciation		
MAT Credit Entitlement	15.45	6.97
Total :	87.39	97.25
(B). Deferred Tax Liabilities on timing differences due to:		
Depreciation	3.74	18.58
Total:	3.74	18.58
Net Deferred Tax Asset (A-B)	83.65	78.67

Deferred tax assets (Net)

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2019

(Amount in Rupees)

Description	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Total
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	-8.46	4.72		-3.74
Business Loss	77.94	-14.38		63.56
Provision for employee benefits	12.34	-3.95		8.38
MAT Credit Entitlement	6.97	8.48		15.45
	88.79	-5.14	0.00	83.65

32.k. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

(Amount in Rupees)

	As at March 31, 2019	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for		
-long-term capital loss	-	-
-unused tax credits	-	-
	-	-

32.l

(Amount in millions)

	Year Ended 31 March 2019	Year Ended 31 March 2018
Tax Expense		
Current Tax	44.20	7.00
Wealth Tax - Prior year's Tax	0.00	0.00
Current Tax - Prior year's Tax	0.00	0.00
Deferred Tax	5.58	-32.76
Income tax relating to items that will not be reclassified to profit or loss		
Total	49.78	-25.76

Income tax credit / (expense) recognized in Other Comprehensive Income:

(Amount in Rupees)

	Year Ended 31 March 2019	Year Ended 31 March 2018
Tax effect on actuarial gains/losses on defined benefit obligations	-0.43	0.00
Tax effect on foreign currency translation differences	0.00	0.00
Total	-0.43	0.00



2.m Financial instruments

Capital management

The Group's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Group ensures optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Group:

(Amount in millions)

	As at March 31, 2019	As at March 31, 2018
Equity	1,611.85	1,671.69
Short-term borrowings and current portion of long-term debt	2,399.99	1,203.28
Long-term debt	1,838.93	3,611.00
Current Maturities of Long Term Debt	1,263.79	1,428.17
Cash and cash equivalents	-141.83	-55.95
Net debt	5,360.88	6,186.50
Total capital (equity + net debt)	6,972.73	7,858.19

Categories of financial instruments

(Amount in millions)

	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
mandatorily measured:		
Equity investments in other entities	767.00	758.21
DA Deposits	488.21	472.87
Measured at amortised cost		
Trade and other receivables	943.92	691.94
Other current financial assets	221.15	21.71
Financial liabilities		
Borrowings	4,238.92	4,814.28
Other Financial Liabilities -Measured at cost	1,792.27	1,927.05

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 31i2 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019:

(Amount in Rupees)

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	377.17	377.17			377.17
Borrowings and interest thereon	4,238.92	4,238.92	-0.00		4,238.92
Other financial liabilities	1,415.10	1,415.10			1,415.10
Total	6,031.19	6,031.19	-0.00	0.00	6,031.19

The table below provides details of financial assets as at June 30, 2018:

Carrying value is Fair value

(Amount in Rupees)

	Carrying amount
Trade receivables	945.92
Investments	767.00
Loans	504.07
Other financial assets	221.15
Bank balances other than Cash and Cash equivalents	642.7
Total	2,644.25



The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	369.58	369.58			369.58
borrowings and interest thereon	4,814.28	4,486.37	327.91		4,814.28
Other financial liabilities	1,557.47	1,557.47			1,557.47
Total	6,741.33	6,413.42	327.91	0.00	6,741.33

The table below provides details of financial assets as at March 31, 2018:

	Carrying amount
Trade receivables	691.94
Investments	758.21
Loans	486.79
Other financial assets	21.71
Bank balances other than Cash and Cash equivalents	41.01
Total	2,055.61

Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including interest rate risk) and credit risk.

Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

Interest rate risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

The Company's borrowings majorly consists of Project funding loans, having fixed rate of interest (re-stated at every 3 years interval).

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

The company primarily deals with the real estate sales. The possession of the properties is handed over to the customers only after the receipt of the entire sale consideration with respect to the sales. Hence, the credit risk with respect to the sales /receivables is limited.



Note no: 32.o

Sl No.	Particulars	Net Assets i.e. Total Assets minus Total Liabilities				Share in profit or loss	
		As % of Consolidated net	Amount in Mns	Consolidation Adj	Net Amt in Mns	As % of Consolidated Profit	Amount in Mns
1	NCC URBAN INFRASTRUCTURE LTD - STANDALONE INVESTMENTS	90.9%	1,562.89	97.66 1,075.05	1,165.23	22.0%	29.64
	SUBSIDIARIES :- In Equity Shares of Rs.10/- each, fully paid up (Unquoted)						
1	CSVS Property Developers Private Limited	0.0%	18.29	18.31	0.03	0.0%	0.01
2	Dhatri Developers Private Limited	0.0%	63.89	-64.12	0.23	0.0%	0.01
3	JIC Homes Private Limited	0.0%	18.36	18.39	0.02	0.0%	0.01
4	M A Property Developers Private Limited	0.0%	17.49	-17.52	0.03	0.0%	0.01
5	Mallelavanam Property Developers Private Limited	0.0%	9.90	-9.98	0.07	0.0%	0.01
6	Sushanti Housing Private Limited	0.0%	17.49	-17.52	0.03	0.0%	0.01
7	Sushrutha Real Estate Private Limited	0.0%	17.72	-17.91	-0.19	0.0%	-0.01
8	Sushanti Avenues Private Limited	0.0%	46.74	-46.82	0.09	0.0%	0.01
9	Vera Avenues Private Limited	0.0%	14.13	-14.18	-0.05	0.0%	0.01
10	NJC Avenues Private Limited (Refer Note 2)	-0.1%	-0.12	0.50	0.92	0.0%	0.01
11	NCC Urban Ventures Private Limited	0.0%	0.09	-0.18	-0.09	0.0%	0.01
12	NCC Urban Homes Private Limited	0.0%	0.09	-0.18	-0.09	0.0%	0.01
13	NCC Urban Meadows Private Limited	0.0%	0.00	-0.10	-0.10	0.0%	0.02
14	NCC Urban Villas Private Limited	0.0%	0.00	0.10	0.10	0.0%	0.02
15	Nagarjuna Suites Private Limited	0.0%	-0.00	-0.10	-0.10	0.0%	0.05
16	Sradha Real Estates Private Limited	0.0%	0.00	0.50	0.50	0.0%	0.37
17	Vara Infrastructure Private Limited	0.0%	0.00	0.50	0.50	0.0%	0.37
18	Sri Raga Nivas Ventures Private Limited	0.1%	1.11	0.50	1.51	0.0%	-0.01
19	Siripada Homes Private Limited	0.0%	0.00	-0.50	-0.50	-0.3%	-0.37
	LIMITED LIABILITY PARTNERSHIP						
1	AKHS Homes LLP	0.0%	6.53	-6.19	0.04	0.0%	-0.01
2	Sri Raga Nivas Property Developers LLP	0.0%	8.98	-8.92	0.06	0.0%	0.01
3	VSN Property Developers LLP	0.0%	9.02	8.97	0.06	0.0%	0.01
4	Kedarnath Real Estates LLP	1.5%	58.19	-33.31	24.88	18.3%	24.66
5	Nandyala Real Estates LLP	0.8%	40.31	27.49	12.85	9.3%	12.51
6	PRG Estates LLP	0.8%	71.46	-59.09	12.36	9.2%	12.31
7	Threlekya Real Estates LLP	1.3%	55.61	-34.74	20.87	15.4%	20.69
8	Varma Infrastructure LLP	1.8%	79.87	-50.80	29.07	20.4%	27.49
	PARTNER SHIP FIRM						
1	NR AVENUES	0.0%			0.01	0.0%	0.00
	IN ASSOCIATE						
1	Varapradha Real Estates Private Limited	3.2%	767.00	714.99	520.01	6.3%	8.79
	Total	100%	2,882.25	0.00	1,611.85	1.00%	134.74
	Consolidation				1,611.85		



Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

(Amount in Rupees)

Particulars	As At March 31, 2019		As at 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:				
(a) Cash and bank balances	206.10	206.10	96.96	96.96
(c) Trade receivables	945.92	945.92	691.94	691.94
(b) Other financial assets	221.15	221.15	21.71	21.71
Financial liabilities				
Financial liabilities at amortised cost:				
(i) Borrowings	4,238.92	4,238.92	4,814.28	4,814.28
(b) Trade payables	377.17	377.17	369.58	369.58
(c) Other Financial liabilities	1,415.10	1,415.10	1,557.47	1,557.47

Note : In case of trade receivables, cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

32.n Figures of previous year have been regrouped/re-arranged wherever necessary to conform to the current year presentation.

Signatures to the Notes of Accounts 1 to 32.n.

for K.P.Rao & Co.
Chartered Accountants

For and on behalf of the Board

K.Viswanath
Partner
Membership No: 022812



J.S.R.Raju
Director
DIN:01158196

Place: Hyderabad
Hyderabad, May 08, 2019

G.Srinivasa Rao
Chief Financial Officer

Rajesh Kumar Yadav
Company Secretary

K. P. RAO
K. VISWANATH K.P. SIDDHARTH
DESMOND J. REBELLO V. NARAYANAN
H.N. ANIL S. PRASHANTH
MOHAN R LAVI P. RAVINDRANATH

Phone : 080 - 25587385 / 25586814
Fax : 080 - 25594661
E-mail : info@kprao.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of NCC URBAN INFRASTRUCTURE LIMITED

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of NCC URBAN INFRASTRUCTURE LIMITED ("the Holding Company") and its subsidiaries (collectively referred to as 'the Company' or 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 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 as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Ind AS 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 audit opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements of the current



Branches

Hyderabad : 3rd Floor, D1, 6-3-652, Kautilya, Somajiguda, Hyderabad - 500 082. Ph.: 040-23322310
Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 24903137 / 45511564

period. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

KAM	How our Audit Addressed the KAM
<p>Implementation of Ind AS 115 – Revenue from Contracts with Customers</p> <p>The Company has implemented Ind AS 115- Revenue from Contracts with Customers from 1st April 2018. The Company has indicated that its performance obligations (sale of real estate units to customers) are satisfied at a point in time. This marks a departure from their erstwhile accounting policy of recognising revenue on the basis of percentage of completion method. As provided in the modified retrospective method provided in transition provisions of Ind AS 115, the net impact of the change in accounting policy of Rs. 194.57 million has been adjusted to the Reserves of the Company as on 1st April 2018.</p> <p>Application of Ind AS 115, requires significant judgement in determining when control of the goods or services underlying the performance obligation is transferred to the customer.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We reviewed the assessments and judgements made by the Company in determining that their performance obligations are performed at a point in time. • We obtained and understood the processes followed and systems established around transfer of control in case of real estate projects. • We performed tests of details on a sample basis, and inspected the underlying customer contracts, sale deeds and handover documents evidencing transfer of control of the asset to the customer on the basis of which revenue is recognised at a point in time. <p>We reviewed the disclosures given in Note No. 32e to the financial statements.</p>

Management’s Responsibility for the Consolidated Ind AS Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India . The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the



accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Company and its subsidiary companies 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 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are



required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS Financial Statements.

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 Consolidated Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- A. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement



Report on Other Legal and Regulatory Requirements

- A. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.
 - e) On the basis of written representations received from the directors we report that 2 of the directors were disqualified by the Ministry of Corporate Affairs under the section 164(2) of the Act, in relation to certain other companies and the orders passed by the Ministry of Corporate Affairs in respect of the aforesaid directors were however stayed by the Hon'ble High Court of Delhi. One of these directors is also a director in an associate company which is considered for the purpose of consolidation. We further report that none of the other directors are disqualified as on March 31, 2019 from being appointed as a director of that from being appointed as a director of that Company in terms of Section 164 (2) of the Act.
 - f) 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: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - g) With respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's financial controls over financial reporting.



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 Group have disclosed the impact of pending litigations on its Consolidated Ind AS Financial Statements refer Note No. 31
- ii. The Group has no long term contracts, including derivative contracts, for which there were any material foreseeable losses.
- iii. There were no amounts that were required to be transferred to the Investor Education & Protection Fund by the Group.

For K.P.Rao & Co.,
Chartered Accountants
Firm's Registration No. 003135S



K. Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: May 08, 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph A(g) under "Report on Other Legal Regulatory Requirements" section of our report of even date to the members of NCC URBAN INFRASTRUCTURE LIMITED)

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

We have audited the internal financial controls over financial reporting of NCC URBAN INFRASTRUCTURE LIMITED ("the Holding Company") and its subsidiary companies as of March 31, 2019 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating



effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.


Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Holding Company and its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

For K.P.Rao & Co.,
Chartered Accountants
Firm's Registration No. 003135S


K. Viswanath
Partner
Membership No. 022812



Place: Hyderabad
Date: May 08, 2019