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## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
NCC Infrastructure Holdings Limited

Report on the Indian Accounting Standard (Ind AS) Financial Statements

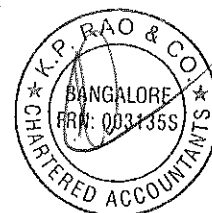
### Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of NCC Infrastructure Holdings Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 the Indian Accounting Standards prescribed under Section 133 of Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### Branches

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**Other Matters**

We draw attention to Note No 2.12 of the standalone Ind As financial statements, which describes the uncertainties and the possible effects of Covid19 on the operations of the Company. Our opinion is not modified in respect of this matter.

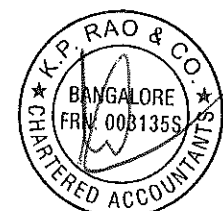
**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the interim consolidated standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. . We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit Addressed the KAM
<p><b>Litigation on sale of Investment</b>                      The Company has ongoing litigation with respect to sale of its investment in a company. For details of the litigation refer Note No 25 of the accompanying financial statements.                      Management's assessment of the outcome of the aforesaid litigation has been identified as a key audit matter due to the materiality of the potential obligation as it requires significant judgement in assessing the outcome of the litigation and provision to be made towards the aforesaid litigation.</p>	<ul style="list-style-type: none"> <li>• We have reviewed the relevant documents regarding the litigation in particular the arbitration award, the claims and counter claims raised by the parties as well as the opinion from in-house legal and claims team to assess the adequacy of the provision made</li> <li>• We understood and tested the design and operating effectiveness of management control over assessment of the outcome of the litigation</li> <li>• We discussed and understood various steps taken by management to resolve the dispute</li> </ul>

**Responsibilities of Management and those charged with governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position and financial performance of the Company and cash flows of the company in accordance with the



accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the audit of Standalone Ind AS financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

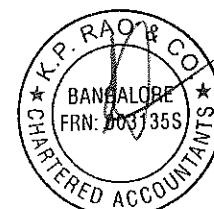


- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements including the disclosures, and whether the Stand alone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

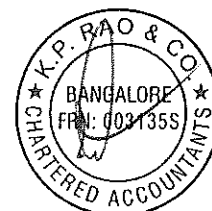
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in the paragraph 3 and 4 of the order.
- B. As required by section 143(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of accounts;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and cash flow statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
  - f) with respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure 2". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's financial controls over financial reporting.
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its standalone Ind AS Financial Statement – Refer Note No. 25.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bangalore

Date: 15-05-2020

UDIN: 20029340AAAAAV7337

For K.P. Rao and Co.  
Chartered Accountants  
Firm Reg. No: 003135S

  
Mohan R Lavi

Partner

Membership No. : 029340

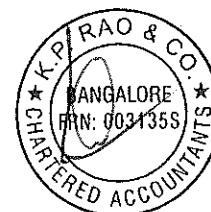


**ANNEXURE 1 TO THE INDEPENDENT AUDITORS REPORT**

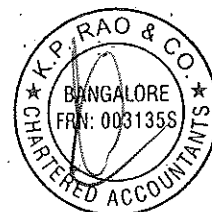
(Referred to in paragraph A under "Report on Other Legal Regulatory Requirements" section of our report of even date to the members of NCC INFRASTRUCTURE HOLDINGS LTD)

We report that:

- 1)
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - c) According to the information and explanations given to us the company has not held any immovable property during the year and hence paragraph 3(i)© of the order is not applicable for the company.
- 2) In respect to Inventories, the Company does not hold any inventories. Accordingly reporting under clause (ii) of paragraph 3 is not applicable
- 3) According to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and accordingly paragraph 3(iii) of the Order are not applicable, at present.
- 4) In respect of loans, investments, guarantees and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- 5) According to the information and explanation given to us, the Company has not accepted deposits to which directions issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 were applicable. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- 6) According to the information and explanations given to us, the provision of sub-section 1 of section 148 of the Companies Act 2013 and rules made thereunder relating to maintenance of Cost records are not applicable to the company for the year under audit. Accordingly reporting under clause (vi) of paragraph 3 is not applicable.



- 7) According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, in respect of statutory dues:
- a) The Company is regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, sales tax, service tax / Goods and Service Tax, duty of custom, duty of excise, value added tax, and other statutory dues applicable to it with the appropriate authorities
  - b) There were no outstanding dues as on the last day of financials concerned for the period more than six months from the date they became payable.
  - c) According to information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or Cess, which have been deposited on account of any dispute.
- 8) The Company does not have any loans or borrowings from any financial institutions, banks, Government or debenture holders during the year; accordingly, paragraph 3(viii) of the Order is not applicable.
- 9) The Company has not raised any monies, during the reporting period, by way of initial public offer (including debt instruments) or further public offer. The Company has not raised any monies, by way of term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such a case by the management.
- 11) According to the information and explanations give to us and based on our examination of the records of the Company, managerial remuneration has been paid/ provided during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 12) According to the information given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records, all transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable, and the details have been





disclosed in the Ind AS Financial Statements, as required by the applicable accounting standards.

- 14) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the reporting period. Accordingly, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.
- 15) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with any directors or persons connected with him. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable.
- 16) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financials (Non-Deposit Accepting or Holding) Company (NBFC).

For K.P. Rao and Co.

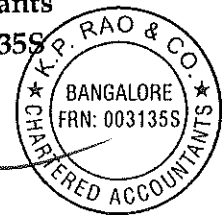
Chartered Accountants

Firm Reg. No. 0031358

Mohan R Lavi

Partner

Membership No. : 029340



Place: Bangalore

Date : 15-05-2020

UDIN: 20029340AAAAAV7337

**"Annexure 2" to the Independent Auditors' Report**

**(Referred to in paragraph B(f) under "Report on Other Legal Regulatory Requirements" section of our report of even date to the members of NCC INFRASTRUCTURE HOLDINGS LTD**

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

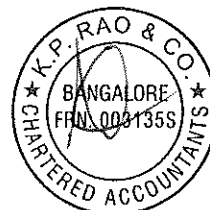
We have audited the internal financial controls over financial reporting of NCC INFRASTRUCTURE HOLDINGS LTD as of March 31<sup>st</sup>, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**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 Institute of Chartered Accountants of India (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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

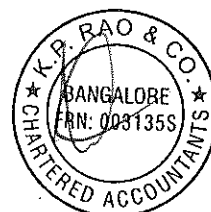
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgments, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

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



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

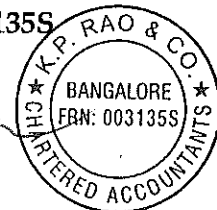
**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020 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 and Co.  
Chartered Accountants  
Firm Reg No: 003135S

Mohan R Lavi  
Partner

Membership No. : 029340

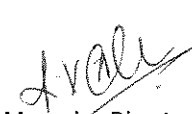




Place: Bangalore

Date: 15-05-2020

UDIN: 20029340AAAAV7337

**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2020**  
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No	As At March 31, 2020	As At March 31, 2019
<b>ASSETS</b>			
<b>1. Financial Assets</b>			
(a) Cash and Cash equivalents	3	9.80	23.26
(b) Receivables			
(i) Trade Receivables	4	25.92	25.92
(ii) Other Receivables	5	1,140.26	1,140.26
(c) Loans	6	-	1,350.76
(d) Investments	7	48,761.93	44,083.88
(e) Other Financial Assets	8	-	8,953.45
<b>2. Non-financial Assets</b>			
(a) Property, Plant & Equipment	9	38.77	46.33
(b) Other Non-Financial Assets	10	85.85	106.57
<b>Total Assets</b>		<b>50,062.53</b>	<b>55,730.43</b>
<b>Liabilities and Equity</b>			
<b>LIABILITIES :</b>			
<b>1. Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables	11	45.74	18.63
(b) Borrowings	12	-	844.10
<b>2. Non-Financial liabilities</b>			
(a) Provisions	13	74.80	87.13
(b) Other Non-Financial Liabilities	14	9,307.13	8,042.84
<b>Equity</b>			
(a) Equity Share Capital	15	70,893.76	69,605.04
(b) Other Equity	16	(30,258.90)	(22,867.31)
		<b>40,634.85</b>	<b>46,737.73</b>
<b>Total Liabilities and Equity</b>		<b>50,062.53</b>	<b>55,730.43</b>
Corporate information and significant accounting policies	1 & 2		
Accompanying notes forming part of the financial statements As per our Audit Report of even date attached			
<b>K.P.Rao &amp; Co</b> Chartered Accountants FRN: 003135S  <b>Mohan R. Lavi</b> Partner Membership No. 029340		<b>For and on behalf of the Board</b>   Managing Director <b>RAGHU VARMA ALLURE</b> DIN: 01033094   Director <b>M. SWETHA</b> DIN: 00025116   CFO	
Place: Hyderabad			
Date:			

**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**  
**All Amounts in Rupees in Lakhs unless otherwise stated**

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations			
(i) Others	17	48.00	48.00
<b>Total Revenue from Operations</b>			
Other income	18	42.31	192.98
<b>Total Income</b>		<b>90.31</b>	<b>240.98</b>
<b>Expenses:</b>			
(i) Finance Costs	19	62.17	143.82
(ii) Employee Benefit Expenses	20	63.89	137.29
(iii) Depreciation, amortization and impairment	9	7.57	6.99
(iv) Other Expenses	21	394.15	456.57
<b>Total expenses</b>		<b>527.79</b>	<b>744.67</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(437.48)</b>	<b>(503.69)</b>
<b>Exceptional items:</b>			
Provision pursuant to Obligation on sale of Investment (Refer Note 23)		1,264.29	1,161.33
Provision for Impairment allowance of Loan (Refer Note.24 A)		2,314.85	2,966.67
Reversal of Notional Finance Income on Loan ammortization		324.98	-
Provision for Impairment allowance of Investment (Refer Note 24 B)		3,050.00	5.00
		6,954.13	4,133.00
<b>Profit/(loss) before Tax</b>		<b>(7,391.61)</b>	<b>(4,636.69)</b>
<b>Tax expenses:</b>			
Profit (Loss) for the period after tax		(7,391.61)	(4,636.69)
Other Comprehensive Income			
Total Comprehensive Income for the period (comprising Profit(Loss) and Other comprehensive Income for the period)		(7,391.61)	(4,636.69)
<b>Earnings per equity share:</b>			
(1) Basic & Diluted	29	(1.06)	(0.67)

Accompanying notes forming part of the financial statements  
As per our Audit Report of even date attached

K.P.Rao & Co  
Chartered Accountants  
FRN: 003135S

Mohan R. Lavi  
Partner  
Membership No. 029340



For and on behalf of the Board

*(Signature)*  
Managing Director  
RAGHU VARMA ALLURI  
DIN: 01033094

*(Signature)*  
Director  
M. SWETHA  
DIN: 00025116

*(Signature)*  
CFO

Place: Hyderabad  
Date:

**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020**  
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax	(7,391.61)	(4,638.40)
<b>Adjustments for:</b>	-	-
Loss on Sale of investments	-	164.59
Provision for Obligation on Sale of Investment	1,264.29	1,161.33
Provision for Allowance of Impairment loss on Loan	2,639.83	2,966.67
Provision for Allowance of Impairment loss on Investment	3,050.00	5.00
Finance costs	62.17	143.82
Depreciation	7.57	6.99
Interest Income from Loan Amortization	(40.52)	(150.63)
<b>Operating Profit / (Loss) before working capital changes</b>	<b>(408.26)</b>	<b>(340.63)</b>
<b>Changes in Working Capital :</b>		
Increase/(decrease) in Trade Payables	27.11	(7.19)
Increase/(decrease) in Liabilities	(12.33)	(5.23)
Increase/(decrease) in Provisions	-	(3.81)
(Increase)/decrease in Other Assets	-	842.26
(Increase)/decrease in Loans and Advances	20.72	(37.34)
<b>Cash generated from operations</b>	<b>(372.76)</b>	<b>448.05</b>
Income taxes refunded	-	129.33
<b>Net Cash flow from operating activities: (A)</b>	<b>(372.76)</b>	<b>577.38</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Investment	(10,744.60)	-
<b>Net cash flow from investing activities ( B)</b>	<b>(10,744.60)</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities:</b>		
Repayment of the current portion of borrowings	(844.10)	(488.60)
Proceeds from Issue of Shares	1,288.71	
Finance cost paid	(62.17)	(143.82)
(Increase)/decrease in Loans and Advances	10,721.45	(9.00)
<b>Net cash flow used in financing activities ( C)</b>	<b>11,103.89</b>	<b>(641.42)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(13.46)</b>	<b>(64.04)</b>
Cash and cash equivalents at the beginning of the year	23.26	87.30
Cash and cash equivalents at the end of the period	9.80	23.26
	<b>(13.46)</b>	<b>(64.04)</b>

**Accompanying notes forming part of the financial statements**

- Note: 1) The Cash Flow Statement is prepared in accordance with the indirect Method stated in Indian Accounting Standards (Ind AS)-7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
- 2) Cash and Cash Equivalents comprises of cash and bank balances.
- 3) Figures in bracket represent cash outflows.

As per our Audit Report of even date attached

K.P.Rao & Co  
Chartered Accountants  
FRN: 003135S  
Mohan R. Lavi  
Partner  
Membership No. 029340



Place: Hyderabad  
Date:

For and on behalf of the Board

*(Signature)*  
Managing Director  
RAGHU VARMA ALLURE  
DIN: 01033094  
CFO

*(Signature)*  
Director  
M. SWETHA  
DIN: 00025116

**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Statement of Changes in Equity for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

**Equity Share Capital**

Description	Number of Shares	Amount
Balance as at March 31, 2018	6,960.50	69,605.04
Add: Equity shares allotted during the year		
Balance as at March 31, 2019	6,960.50	69,605.04
Add: Equity shares allotted during the year	128.87	1,288.71
Balance as at March 31, 2020	7,089.38	70,893.76

**Other Equity**

Description	Retained Earnings	Reserves		Security Premium Account	Other Comprehensive Income	Total
		Reserve Under Section 45 IC - RBI Act	General Reserve			
Opening balance as at March 31, 2018	(21,128.13)	23.85	18.50	2,856.45	0.42	(18,228.91)
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(4,636.68)	-	-	-	-	(4,636.68)
Remeasurements of the defined benefit plans	-	-	-	-	(1.72)	(1.72)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2019	(25,764.81)	23.85	18.50	2,856.45	(1.30)	(22,867.31)
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(7,391.61)	-	-	-	-	(7,391.61)
Remeasurements of the defined benefit plans	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2020	(33,156.42)	23.85	18.50	2,856.45	(1.30)	(30,258.90)

Accompanying notes forming part of the financial statements

As per our Audit Report of even date attached

for K.P.Rao & Co

Chartered Accountants

FRN: 003135S

Mohan B. Law

Partner

Membership No. 029340



Managing Director

RAGHUYARMA ALLURI

DIN: 01033094

Director

M. SWETHA

DIN: 00025116

CFO

Place: Hyderabad

Date:



### **2.3 Applicable from 1 April 2019 New Accounting Standards**

On 30th March 2019, the Ministry of Corporate Affairs ( MCA) notified Ind AS 116-Leases which is applicable from 1st April 2019. Ind AS 116 changes the method of accounting for leases. Excluding short-term and small ticket leases, the lessee would have to account for all other leases as a right-to-use asset in their financial statements and recognise a corresponding liability to pay the lessor. THE COMPANY would be implementing Ind AS 116 with effect from Q1 2020. In accordance with the transition provisions of Ind AS 116, differences on adoption would be adjusted to retained earnings as

### **2.4 Amendments to Accounting Standards**

On 30<sup>th</sup> March 2019, the MCA made the following amendments to accounting standards:

### **2.5 Ind AS 19 – Employee Benefits Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. THE COMPANY does not expect this amendment to have any significant impact on its financial statements.

The principal accounting policies are set out below.

### **2.6 Cash Flow Statement**

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

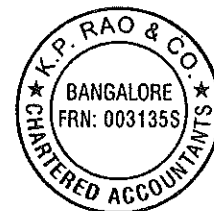
### **2.7 Earnings per Share**

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. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.

### **2.8 Financial instruments**

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

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



**NCC Infrastructure Holdings Limited**  
**Notes forming part of the financial statements**

**1. Corporate Information**

NCC Infrastructure Holdings Limited ("the Company") is an unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is registered with the Reserve Bank of India ("the RBI") as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company. The company is engaged in setting up infrastructure projects through special purpose entities and investing in the said entities by way of equity / debt participation. The Company also provides project management consultancy services to such infrastructure projects. The Company is a subsidiary of NCC Limited.

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively from transactions occurring on or after April, 1, 2017 (transition date).

**2. 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.

**2.2 Basis of preparation and presentation**

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



## 2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

### Classification of financial assets:

#### Financial assets at fair value through profit or loss (FVTPL):

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the

#### Derecognition of financial assets :

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds

## 2.10 Financial liabilities and equity instruments

### Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

**Financial liabilities** All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled

## 2.11. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. 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).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

## 2.12. Provisions, contingent liabilities and contingent assets

In assessing the recoverability of receivables including Investments in subsidiary companies and with related parties, and certain investments, the Company has considered internal and external information up to the date of approval of these standalone financial results. The Company has analysed the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all these assets. The Company will continue to closely monitor any material changes to future economic conditions., having impact on its investments and will make the

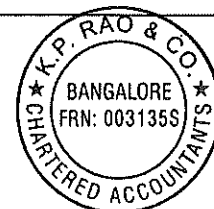


**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2020	As at March 31, 2019
<b>3. Cash and Cash Equivalents</b>		
Cash on Hand	0.11	0.37
Balance with banks:		
In Current Account	9.68	22.88
<b>Total</b>	<b>9.80</b>	<b>23.26</b>
<b>4. Trade Receivables</b>		
(Unsecured, considered good)		
Other trade receivables	25.92	25.92
<b>Total</b>	<b>25.92</b>	<b>25.92</b>
<b>5. Other Receivables</b>		
Holdback Amounts from Sale consideration	240.26	240.26
Consideration on account of Share Sale receivable	900.00	900.00
Unsecured Loan Provided to HSPL	2,666.67	2,666.67
Less : Provision for Impairment allowance of Loan	(2,666.67)	(2,666.67)
<b>Total</b>	<b>1,140.26</b>	<b>1,140.26</b>
<b>6. Long Term Loans and Advances</b>		
<b>Loans and advances to related parties with in India (Refer Note 28(d)(a))</b>		
(Unsecured, considered good)		
Associates	1,391.28	1,350.76
Less : Reversal of notinal Finance Income	(324.98)	-
Less : Provision for Impairment allowance of Loan	(1,066.30)	-
	-	1,350.76
(Unsecured, Considered doubtful)		
Subsidiaries	142.09	142.09
Enterprises owned or significantly influenced by key management personnel or their relatives	195.70	195.70
	337.79	337.79
Less : Provision for Impairment allowance of Loan	(337.79)	(337.79)
<b>Total</b>	<b>-</b>	<b>1,350.76</b>
<b>8. Other Financial Assets</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>
(Unsecured, considered good)		
(i) Loans & Advances to related Parties (with in India)	8,953.45	8,953.45
Less : Non-cumulative Compulsorily Convertible Preference Shares issued	(8,953.45)	-
	-	8,953.45
(ii) Interest accrued on loans	108.38	108.38
Less : Provision for Impairment allowance of accrued Interest	(108.38)	(108.38)
	-	-
<b>10. Other Non-Financial Assets</b>		
Advance income tax & tax deducted at source (net off)	39.16	55.36
GST Input Credit	46.28	50.64
Prepaid Expenses	0.38	0.48
Advances recoverable in cash or in kind or for value to be received	0.03	0.10
<b>Total</b>	<b>85.85</b>	<b>106.57</b>



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

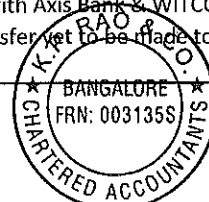
7. Investments		As At	As At
		March 31, 2020	March 31, 2019
<b>7.1</b>	<b>Investments (With in India)</b>		
	in Equity Instruments in Subsidiaries	24,441.95	15,465.35
	in Equity Instruments in Associates	6,200.00	6,200.00
	In Compulsory Convertible in to Equity Debentures IN Group companies	24,023.53	24,023.53
		<b>54,665.48</b>	<b>45,688.88</b>
	Allowance for Impairment (With in India)	5,903.55	1,605.00
		48,761.93	44,083.88
<b>7.2</b>	<b>Investments ( With in India)</b>		
	in Equity Instruments in Others	-	-
		<b>48,761.93</b>	<b>44,083.88</b>

7.3 Details of Investments			
<b>Investments carried at fair value through Profit and Loss</b>			
<b>A. In Equity Shares of Rs.10/- each, fully paid up</b>			
<b>(i) In Subsidiaries</b>			
Samashti Gas Energy Limited		5.00	5.00
(50,000 Equity shares (March 31, 2018: 50,000 Equity Shares )			
Less: Provision for diminution in value of Investments		5.00	5.00
		-	-
NCC Infra Limited		5.00	5.00
(50,000 Equity shares (March 31, 2018: 50,000 Equity Shares )			
Add : Equity Component Loan reclassified to Investment		-	1,768.00
Add : Equity shares allotment of 17852000 @10/- each		1,785.20	-
		<b>1,790.20</b>	<b>1,773.00</b>
OB Infrastructure Limited (Refer Notes 7.5 (a) )		12,455.43	12,455.43
(9,447,681 Equity shares (March 31, 2018: 9,447,681 Equity Shares)			
Savitra Agri Industrial Park Private Limited		1,231.92	1,231.92
(69,600, Equity shares (March 31, 2018: 69,600 Equity Shares)			
Add : Non-cumulative Compulsorily Convertible Preference Shares of 447970 @2000/- each having face value Rs. 10/- each		8,959.40	-
<b>(ii) In Associate companies</b>			
Pondicherry Tindivanam Tollway Private Limited (Refer Notes 7.5 (b))		3,351.44	3,351.44
(3,387,940 Equity shares (March 31, 2018: 3,387,940 Equity Shares)			
Add : Fairvalue Loan Ammortization to Investment		2,848.55	2,848.55
Less: Provision for impairement allowance of Loan		2,848.55	1,600.00
		<b>3,351.45</b>	<b>4,600.00</b>
<b>B. In Compulsorily Convertible in to Equity Debentures</b>			
<b>(i) Promoter Group Company</b>			
Gayatri Energy Ventures Private Limited		24,023.53	24,023.53
Less: Provision for impairment allowance of Investment		3,050.00	
		<b>20,973.53</b>	<b>24,023.53</b>
		<b>48,761.93</b>	<b>44,083.88</b>
Aggregate Amount of Quoted Investments		-	
Aggregate Amount of Unquoted Investments		<b>48,761.93</b>	<b>44,083.88</b>
Aggregate Market Value of Quoted Investments		-	

**Notes:**

7.5 (a) Of these 4,818,369 Shares (March 31, 2019 : 4,818,369 shares) are pledged with IDBI Trusteeship Services Limited as security for NCD issued by OB Infrastructure Limited

7.5(b) Of these 1,853,656 Shares (March 31, 2019 :1,853,656 shares) are pledged with Axis Bank & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Limited. 83,415 shares physically pledged with Axis Bank & WITCO. Also 702,667 shares purchased from NCC Limited (the Holding Company) during 2016-17, but transfer yet to be made to the Company.



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the Financial Statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

**9. Property, Plant & Equipment**

Tangible Assets	Gross Block at cost			Depreciation			Net Block		
	As at April 01, 2019	Additions	Disposals / Discarded	As at March 31, 2020	Upto April 01, 2019	Depreciation for the period	Disposals / Discarded	As at March 31, 2020	As at March 31, 2019
Furniture and Fixtures	3.46	-	-	3.46	3.39	-	-	0.07	0.07
Vehicles	85.12	-	-	85.12	40.61	7.33	-	37.19	44.51
Office equipment	39.83	-	-	39.83	38.08	0.25	-	1.51	1.75
<b>Total</b>	<b>128.41</b>	-	-	<b>128.41</b>	<b>82.08</b>	<b>7.57</b>	-	<b>38.77</b>	<b>46.33</b>
As at March 31, 2018	128.41	-	-	128.41	75.08	6.99	-	46.33	53.33



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

15. SHARE CAPITAL	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
<u>Authorised</u> Equity Shares of Rs.10/-each	75,00,00,000	75,000.00	75,00,00,000	75,000.00
	<b>75,00,00,000</b>	<b>75,000.00</b>	<b>75,00,00,000</b>	<b>75,000.00</b>
<u>Issued, Subscribed and Fully Paid Up</u> Equity Shares of Rs.10/-each	70,89,37,553	70,893.76	69,60,50,446	69,605.04
	<b>70,89,37,553</b>	<b>70,893.76</b>	<b>69,60,50,446</b>	<b>69,605.04</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
At the beginning of the year	69,60,50,446	69,605.04	69,60,50,446	69,605.04
Issued during the Period	1,28,87,107	1,288.71	-	-
At the end of the Period	<b>70,89,37,553</b>	<b>70,893.76</b>	<b>69,60,50,446</b>	<b>69,605.04</b>

**(b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the share holders.

**(c) Allotment of shares on Rights issue basis**

Pursuant to approval accorded by the Board of Directors in its meeting held on 12th September 2019, the Company has issued 1,21,73,107 Equity Shares of Rs.10/- each at par on rights basis and made allotment of 1,21,73,107 Equity Shares at par of Rs.10/- each to M/s NCC Limited through a Circular Resolution passed on 30th September,2019 against receipt of consideration partly by way of conversion of inter-corporate deposits together with interest accrued thereon till the date of allotment and partly by infusion of fresh capital.

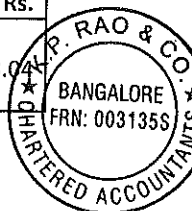
Pursuant to approval accorded by the Board of Directors in its meeting held on 30th October 2019, the Company has issued 714000 Equity Shares of Rs.10/- each at par on rights basis and made allotment of 714000 Equity Shares at par of Rs.10/- each to M/s NCC Limited against the Share application money received during the period.

**(d) Details of share holders holding more than 5% share in the Company**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% Holding	No. of Shares	% Holding
NCC Limited ( the Holding Company - along with its nominees)	44,53,24,458	62.82%	43,24,37,351	62.13%
Gayathri Energy Ventures Private Limited	26,36,13,095	37.18%	26,36,13,095	37.87%

**(f) Details of shares issued for consideration other than cash:**

	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Bonus Shares to NCC Limited in the year 2013-2014 ( the Holding Company)	40,97,30,426	40,973.04	40,97,30,426	40,973.04



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2020	As at March 31, 2019
<b>11 TRADE PAYABLES</b>		
Other than acceptances		
a) Dues of Creditors other than Micro and Small Enterprises	45.74	18.63
	<b>45.74</b>	<b>18.63</b>
<b>12 Borrowings :</b>		
Loan from Holdings Company (Refer Note 12a)	-	844.10
	-	844.10
<b>13 Provisions</b>		
Provision for employee benefits:		
Provision for gratuity	0.07	1.37
Provision for compensated absences	2.35	13.05
Statutory remittances	1.78	2.11
Provison on Standard Assets	70.61	70.61
	<b>74.80</b>	<b>87.13</b>
<b>14 OTHER Non - FINANCIAL LIABILITIES</b>		
Provision pursuant to Obligation on sale of Investment in HSPL - (Refer Note No.23)	9,307.13	8,042.84
	<b>9,307.13</b>	<b>8,042.84</b>
<b>16. Notes to Other Equity</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Securities premium account</b>		
Opening balance	2,856.45	2,856.45
Closing balance	<b>2,856.45</b>	<b>2,856.45</b>
<b>General Reserve</b>		
Opening balance	18.50	18.50
Closing balance	<b>18.50</b>	<b>18.50</b>
<b>Reserve under Section 45 IC of RBI Act, 1934</b>		
Opening balance	23.85	23.85
Closing balance	<b>23.85</b>	<b>23.85</b>
Other Comprehensive Income	(1.29)	(1.29)
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Opening balance	(25,764.81)	(21,128.13)
Add: (Loss)/ Profit for the year	(7,391.61)	(4,636.68)
Closing balance	<b>(33,156.42)</b>	<b>(25,766.10)</b>
<b>Total of Reserves and Surplus</b>	<b>(30,258.90)</b>	<b>(22,867.31)</b>



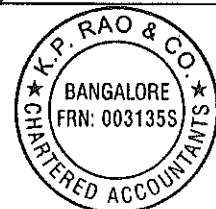


**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>17. REVENUE FROM OPERATION</b>		
(i) Others		
Co-ordination Services Fees	48.00	48.00
	<b>48.00</b>	<b>48.00</b>
<b>18. OTHER INCOME</b>		
(i) Interest on I.T.Refund	1.78	42.35
(ii)Net gain on derecognition of financial instruments(amortised cost)	40.52	150.63
	<b>42.31</b>	<b>192.98</b>
<b>19. Finance Cost on financial Liabilities at Ammortized Cost</b>		
Interest on ICD to Holding Company	61.78	95.21
Commission on Bank Guarantee	-	48.21
Bank Charges	0.39	0.40
	<b>62.17</b>	<b>143.82</b>
<b>20. EMPLOYEE BENEFITS</b>		
Salaries, Wages & Other allowances	59.55	129.70
Contribution to Provident funds	3.16	6.67
Staff welfare expenses	1.18	0.92
	<b>63.89</b>	<b>137.29</b>
<b>21. OTHER EXPENSES</b>		
Rent	7.45	8.48
Rates and Taxes	2.61	0.57
Power charges	2.86	3.25
Travelling and Conveyance	5.32	11.28
Insurance	0.91	1.87
Repairs and Maintenance - other assets	0.26	0.55
Professional Charges	12.48	10.36
Audit Fees	4.63	4.30
Director Sitting Fees	11.25	8.75
Office Maintenance	1.92	1.77
Arbitration Costs	343.38	238.35
Miscellaneous Expenses	1.09	2.45
Other receivables written off	-	164.59
	<b>394.15</b>	<b>456.57</b>
<b>21.1 Audit Fees</b>		
Statutory Audit Fee	2.60	2.60
Tax audit Fee	0.45	0.45
Other Services	1.58	1.25
	<b>4.63</b>	<b>4.30</b>



**NCC Infrastructure Holding Limited;**

**Notes to the financial statements for the period ended March 31, 2020**

**All Amounts in Rupees in Lakhs unless otherwise stated**

**22. Contingent Liabilities and commitments (to the extent not provided for)**

	As at March 31, 2020	As at March 31, 2019
Contingent liabilities :	NIL	NIL

**23. Sale of Investment in HSPL**

The Company, during the year 2012-13, entered into a Securities Purchase Agreement (SPA) with TAQA India Power Ventures Private Ltd - formerly TAQA Jyothi Energy Ventures Private Ltd (TAQA) for sale of 41,44,300 equity shares of Rs. 10/- each and 78,58,900 Zero Coupon Irredeemable Fully Convertible Debentures held by it in Himachal Sorang Power Limited (HSPL).

In terms of SPA, the sale of shares to be effected in two tranches viz initial sale and subsequent sale. Initial sale shares transferred and consideration realised in 2012-13. Against Subsequent sale of shares amount partly received in advance and shares transfer completed on 22.01.2019. Balance consideration receivable Rs. 9,00,00,000/- against subsequent sale shown under Other Receivable

During the year 2012-13, the management has estimated and made a provision of Rs. 51,95,68,675/- towards its obligation to meet cost over runs, contingencies, etc. During 2014 - 15 TAQA invoked bank guarantee of Rs.36,00,00,000 submitted by the Company as security adjusted with this provision. During 2017-18 Receivable amounts on account of advances paid to HSPL for expenses Rs.. 140834224/- adjusted with this provision. The net provision amount of Rs.18734451/- presented under 'Provision pursuant to sale of investments in HSPL .

During 2014 - 15, TAQA and HSPL had invoked the arbitration proceedings under the SPA, in Singapore International Arbitration Centre, detailing various disputes / claims aggregating to Rs. 409,89,88,202/-, which is revised to Rs. 671,42,90,000/- during the Arbitration Process. The Company denied all the disputes / claims in its entirety and also raised Counter Claims aggregating to Rs. 210,33,49,952/- (subsequently revised to Rs. 78,50,25,093/-). The Learned Arbitral Tribunal has while quashing the claims of TAQA, has allowed certain claims of HSPL Amounting to Rs 108,38,25,790/- (after adjustments of receivables ) together with interest commencing on varied dates

In March 2018 TAQA and HSPL has filed a petition before the honourable High Court of Delhi for Enforcement of a Foreign Award and the Company has raised preliminary objections on the grounds of Jurisdiction and the next hearing is slated on 15th July 2020.

Further, TAQA/HSPL and NCCIHL have filed setting aside (of award) applications in Singapore High Court in April and June 2018 respectively. In Jan 2019, Singapore High Court has dismissed setting aside applications of both parties and grounds for setting aside were provided in Nov 2019. Both parties have challenged the Singapore High Court's decisions in the Court of Appeal, Singapore. The applications in Court of Appeal were filed in Feb 2019 and the hearing date is yet to be informed (initial date scheduled is cancelled due to COVID-19

NCCIHL has also filed an application in National Company Law Tribunal (NCLT) at Chennai for recovery of Rs. 9 Crores (plus interest) from TAQA as that portion of the Award has become final since it was not challenged by TAQA in the Singapore High Court. The oral and written submissions are completed in the matter and the Judgement is awaited. The next date of hearing in this matter is yet to be notified.

During the Current Financial Year 2019-20, the Management reviewed various items of the claims of both the parties and also considering the in-house legal experts opinion, assessed the likely outcome of the claims and basing on such assessments a further amount of Rs. 12.64 Cr. crores is provided under "Provision Pursuant to sale of Investment of HSPL" in addition to the provision made in previous years.

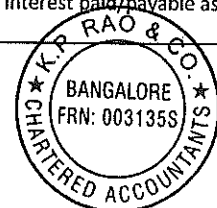
**24 Provision for Diminution in the value of Investments / for recoverability of advances of Associates**

A. The company has invested in Equity and advance monies in Pondicherry Thindivanam Tollway Private Limited, have incurred losses during the year and also accumulated losses at the reporting period. Hence, basing on fairvalue measurement by considering future cashflow and certain claims receivable, company made a provision of Rs.16 Cr. as at 31.03.2019 and further provision made for Rs.23.15 Cr. during 2019-20 on account of Impairment Loss

B. During the financial year 2017-18, NCCIHL sold its investment in Sembcorp Gayatri Power Ltd to Gayatri Energy Ventures Pvt Ltd (GEVPL) at carrying value. As part consideration for this sale, NCCIHL received 16,19,928 compulsorily convertible debentures for a value of Rs 240.23 Crores. NCCIHL has conducted Risk Assessment of its assets including its investment in GEVPL. In accordance with the same, a provision has been made for an amount of Rs 3050 lakhs as "provision for allowance of impairment loss" as on 31st March 2020. In the absence of visibility as to profits, a deferred tax Asset has not been created in respect of this impairment."

**25. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

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, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.



**NCC Infrastructure Holding Limited**

Notes to Financial Statements for the year ended March 31, 2020

**26. Employee Benefits**

In Accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of liability by an Independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

(i) "Liability for retiring gratuity as on March 31, 2020 is Rs.3.18 lakhs (March 31, 2019: 12.21 lakhs ) of which Rs. 3.12 lakhs (March 31, 2019 Rs. 10.84 lakhs) is funded with the Life Insurance Corporation of India. The balance of Rs.0.07 lakhs (March 31, 2019 Rs. 1.37 lakhs) is included in provision for Gratuity. The liability cost of compensated absence Rs. 235383/- (March 31, 2019 Rs. 13,04,898/-) are unfunded and has been actuarially determined and provided for in books of account.

Details of the company's post retirement gratuity plans for its employees including wholetime directors are given below, which is certified by the actuary

	Rs. Lakhs	
	March 31, 20120	March 31, 2019
<b>Amount to be rerecognized in Balance sheet</b>		
Present value of defined benefit obligation	3.18	12.21
Fair value of plan assets	(3.12)	(10.84)
Net Liability	0.07	1.37
<b>The above Liability Classified as</b>		
Long Term	3.06	11.59
Short Term	0.13	0.62
<b>Expenses recongnised in Statement of Profit and Loss</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Current service cost	0.27	0.49
Interest cost	0.19	0.16
Net actuarial (gain)/loss through P&L	0.46	0.65
Net actuarial (gain)/loss through OCI	(1.74)	1.72
<b>Net benefit expense</b>	<b>(1.28)</b>	<b>2.36</b>
<b>Change in present value of the defined benefit obligations</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Opening defined benefit obligation	12.21	16.67
Current service cost	0.27	0.49
Interest cost	0.89	1.03
Benefits paid	(1.27)	(7.58)
Increase/decrease due to plan combination	(7.21)	
Actuarial (gains)/losses on obligation	(1.70)	1.61
Closing defined benefit obligation	3.18	12.21
<b>Assumptions for gratuity and Leave encashment</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Discount rate	7%	8%
Rate of increase in compensation levels	5%	6%
Rate of return on plan assets	6%	6%
Adjusted average future service	22.36	16

**27. Segment Information**

The Company's operations predominantly consist of Investment in Group Companies. Hence there are no reportable segments under Ind AS 108. During the year under report, the Company's business has been carried in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.



**NCC Infrastructure Holding Limited**

Notes to the financial statements for the year ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

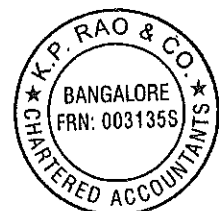
**28. Related party transactions**

**a) List of related parties and relationship**

Name of the Related party	Relationship
M/s. NCC Limited	Holding Company
M/s. Gayatri Energy Ventures Private Limited	Promoter Group Company
M/s. Samishti Gas Energy Limited	Subsidiary
M/s. NCC Infra Limited	Subsidiary
M/s. OB Infrastructure Limited	Subsidiary
M/s. Savitri Agri Industrial Park Private Limited	Subsidiary
M/s. Pondicherry Thindivanam Tollway Limited	Associate
M/s. Himalayan Green Energy Private Limited	
M/s. Sirisha projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Mr. Raghu Varma Alluri, Managing Director	
Ms. Priyanka Rajora (w.e.f as CS 01.08.2017)	
Mr. Y.Venkateswara Rao (w.e.f.as CFO 01.11.2017)	Key Managerial Personnel

**b) Related party transactions entered into during the year are as follows**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(i) Inter Corporate Deposit Received</b>		
M/s. NCC Limited	199.61	241.56
<b>(ii) Interest on Inter Corporate Deposit</b>		
M/s. NCC Limited	55.60	95.21
<b>(iii) Expenses/BG Commission debited by the holding company</b>		
M/s. NCC Limited	-	48.21
<b>(iv) Inter Corporate Deposit Refunded</b>		
M/s. NCC Limited	-	816.79
<b>(v) Interest on Inter Corporate Deposit Refunded</b>		
M/s. NCC Limited	-	48.21
<b>(vi) Share application money Received</b>		
M/s. NCC Limited	189.40	-
<b>(vii) Shares Allotment</b>		
M/s. NCC Limited	1,288.71	-
<b>(viii) Shares Application Money infused</b>		
M/s. NCC Infra Limited	17.20	-
M/s Savitri Agri Industrial Park Private Limited	6.00	9.00
<b>(ix) Management Fee (Excluding GST)</b>		
M/s. OB Infrastructure Limited	48.00	48.00
<b>(x) Rent Paid</b>		
M/s. Sirisha projects Private Limited	7.45	8.48
<b>(c) Credit Balances Outstanding</b>		
<b>(a) Inter Corporate Deposit from Holding Company</b>		
M/s. NCC Limited	-	844.10



**NCC Infrastructure Holding Limited**

Notes to the financial statements for the year ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

<b>(d) Debit Balances Outstanding</b>		
<b>(a) Long Term Loans/Advances</b>		
<b>Subsidiaries</b>		
M/s. Samishti Gas (Refer Note 6)	142.09	142.09
M/s. NCC Infra Limited	-	1,768.00
<b>In Associates</b>		
M/s. Pondicherry Thindivanam Tollway Limited (Refer Note 6 & 7)	3,914.86	1,350.76
<b>In Enterprises owned or significantly influenced by key management personnel or their relatives</b>		
M/s. Himalayan Green Energy Private Limited (Refer Note 6)	195.70	195.70
<b>(b) Short Term Loans/Advances</b>		
<b>Subsidiaries</b>		
M/s Savitri Agri Industrial Park Private Limited	-	8,953.45
<b>(c) Interest Accrued on Loans</b>		
M/s. Himalayan Green Energy Private Limited (Refer Note 6)	108.38	108.38
<b>(d) Trade Receivables</b>		
M/s. OB Infrastructure Limited	25.92	25.92

**29. Earnings per share (EPS)**

	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Profit/(Loss) after tax available for equity shareholders	(7,391.61)	(4,636.69)
Weighted average no of equity shares for Basic EPS	6,961	6,961
Weighted average no of equity shares for diluted EPS	6,961	6,961
Face value per share	10.00	10.00
Basic EPS	(1.06)	(0.67)
Diluted EPS	(1.06)	(0.67)

**Signatories to Note "1 to 29"**

for and on behalf of the board



*[Signature]*  
Managing Director

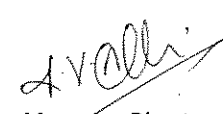


*[Signature]*  
Director

*[Signature]*  
CFO

Place : Hyderabad

Date :

**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2020**  
**All Amounts in Rupees in Lakhs unless otherwise stated**

Particulars	Note No	As At March 31, 2020	As At March 31, 2019
<b>ASSETS</b>			
<b>1. Financial Assets</b>			
(a) Cash and Cash equivalents	3	9.80	23.26
(b) Receivables			
(i) Trade Receivables	4	25.92	25.92
(ii) Other Receivables	5	1,140.26	1,140.26
(c) Loans	6	-	1,350.76
(d) Investments	7	48,761.93	44,083.88
(e) Other Financial Assets	8	-	8,953.45
<b>2. Non-financial Assets</b>			
(a) Property, Plant & Equipment	9	38.77	46.33
(b) Other Non-Financial Assets	10	85.85	106.57
<b>Total Assets</b>		<b>50,062.53</b>	<b>55,730.43</b>
<b>Liabilities and Equity</b>			
<b>LIABILITIES :</b>			
<b>1. Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables	11	45.74	18.63
(b) Borrowings	12	-	844.10
<b>2. Non-Financial liabilities</b>			
(a) Provisions	13	74.80	87.13
(b) Other Non-Financial Liabilities	14	9,307.13	8,042.84
<b>Equity</b>			
(a) Equity Share Capital	15	70,893.76	69,605.04
(b) Other Equity	16	(30,258.90)	(22,867.31)
		<b>40,634.85</b>	<b>46,737.73</b>
<b>Total Liabilities and Equity</b>		<b>50,062.53</b>	<b>55,730.43</b>
Corporate information and significant accounting policies	1 & 2		
<p>Accompanying notes forming part of the financial statements  As per our Audit Report of even date attached</p>			
<p><b>K.P. Rao &amp; Co</b>  Chartered Accountants  FRN: 003135S</p> <p><b>Mohan R. Lavi</b>  Partner  Membership No. 029340</p>		<p style="text-align: center;"><b>For and on behalf of the Board</b></p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">   Managing Director  <b>RAGHUVARMA ALLURI</b>  DIN: 01033094 </div> <div style="text-align: center;">   Director  <b>M. SWETHA</b>  DIN: 00025116 </div> </div> <p style="text-align: center;">  <b>CFO</b></p>	
<p>Place: Hyderabad  Date:</p>			



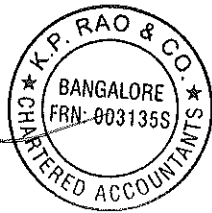
**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**  
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations			
(i) Others	17	48.00	48.00
<b>Total Revenue from Operations</b>			
Other income	18	42.31	192.98
<b>Total Income</b>		<b>90.31</b>	<b>240.98</b>
<b>Expenses:</b>			
(i) Finance Costs	19	62.17	143.82
(ii) Employee Benefit Expenses	20	63.89	137.29
(iii) Depreciation, amortization and impairment	9	7.57	6.99
(iv) Other Expenses	21	394.15	456.57
<b>Total expenses</b>		<b>527.79</b>	<b>744.67</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(437.48)</b>	<b>(503.69)</b>
<b>Exceptional items:</b>			
Provision pursuant to Obligation on sale of Investment (Refer Note 23)		1,264.29	1,161.33
Provision for Impairment allowance of Loan (Refer Note.24 A)		2,314.85	2,966.67
Reversal of Notional Finance Income on Loan ammortization		324.98	-
Provision for Impairment allowance of Investment (Refer Note 24 B)		3,050.00	5.00
		6,954.13	4,133.00
<b>Profit/(loss) before Tax</b>		<b>(7,391.61)</b>	<b>(4,636.69)</b>
<b>Tax expenses:</b>			
Profit (Loss) for the period after tax		(7,391.61)	(4,636.69)
Other Comprehensive Income			
Total Comprehensive Income for the period (comprising Profit(Loss) and Other comprehensive Income for the period)		(7,391.61)	(4,636.69)
<b>Earnings per equity share:</b>			
(1) Basic & Diluted	29	(1.06)	(0.67)

Accompanying notes forming part of the financial statements  
As per our Audit Report of even date attached

K.P.Rao & Co  
Chartered Accountants  
FRN: 003135S

Mohan R. Lavi  
Partner  
Membership No. 029340



For and on behalf of the Board

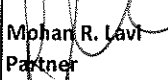
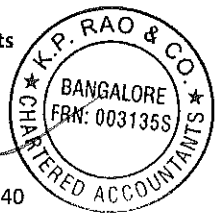



*[Signature]*  
Managing Director  
Raghu Varma Alluri  
DIN: 01033094

*[Signature]*  
Director  
M. SWETHA  
DIN: 00025116

*[Signature]*  
CFO

Place: Hyderabad  
Date:

**NCC INFRASTRUCTURE HOLDINGS LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2020**  
 All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax	(7,391.61)	(4,638.40)
<b>Adjustments for:</b>		
Loss on Sale of investments	-	-
Provision for Obligation on Sale of Investment	-	164.59
Provision for Allowance of Impairment loss on Loan	1,264.29	1,161.33
Provision for Allowance of Impairment loss on Investment	2,639.83	2,966.67
Finance costs	3,050.00	5.00
Depreciation	62.17	143.82
Interest Income from Loan Amortization	7.57	6.99
	(40.52)	(150.63)
<b>Operating Profit / (Loss) before working capital changes</b>	<b>(408.26)</b>	<b>(340.63)</b>
<b>Changes in Working Capital :</b>		
Increase/(decrease) in Trade Payables	27.11	(7.19)
Increase/(decrease) in Liabilities	(12.33)	(5.23)
Increase/(decrease) in Provisions	-	(3.81)
(Increase)/decrease in Other Assets	-	842.26
(Increase)/decrease in Loans and Advances	20.72	(37.34)
<b>Cash generated from operations</b>	<b>(372.76)</b>	<b>448.05</b>
Income taxes refunded	-	129.33
<b>Net Cash flow from operating activities: (A)</b>	<b>(372.76)</b>	<b>577.38</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Investment	(10,744.60)	-
<b>Net cash flow from investing activities ( B)</b>	<b>(10,744.60)</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities:</b>		
Repayment of the current portion of borrowings	(844.10)	(488.60)
Proceeds from Issue of Shares	1,288.71	
Finance cost paid	(62.17)	(143.82)
(Increase)/decrease in Loans and Advances	10,721.45	(9.00)
<b>Net cash flow used in financing activities ( C)</b>	<b>11,103.89</b>	<b>(641.42)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(13.46)</b>	<b>(64.04)</b>
Cash and cash equivalents at the beginning of the year	23.26	87.30
Cash and cash equivalents at the end of the period	9.80	23.26
	<b>(13.46)</b>	<b>(64.04)</b>
<b>Accompanying notes forming part of the financial statements</b>		
Note: 1) The Cash Flow Statement is prepared in accordance with the indirect Method stated in Indian Accounting Standards (Ind AS)-7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities. 2) Cash and Cash Equivalents comprises of cash and bank balances. 3) Figures in bracket represent cash outflows.		
As per our Audit Report of even date attached		
K.P.Rao & Co Chartered Accountants FRN: 003135S  Mohan R. Lavi Partner Membership No. 029340 	For and on behalf of the Board  Managing Director RAGHU VARMA ALLURI DIN: 01033094  Director M. SWETHA DIN: 00025116  CFO	
Place: Hyderabad		
Date:		



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Statement of Changes in Equity for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

**Equity Share Capital**

Description	Number of Shares	Amount
Balance as at March 31, 2018	6,960.50	69,605.04
Add: Equity shares allotted during the year		
Balance as at March 31, 2019	6,960.50	69,605.04
Add: Equity shares allotted during the year	128.87	1,288.71
Balance as at March 31, 2020	7,089.38	70,893.76

**Other Equity**

Description	Retained Earnings	Reserves		Security Premium Account	Other Comprehensive Income	Total
		Reserve Under Section 45 IC - RBI Act	General Reserve			
Opening balance as at March 31, 2018	(21,128.13)	23.85	18.50	2,856.45	0.42	(18,228.91)
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(4,636.68)	-	-	-	-	(4,636.68)
Remeasurements of the defined benefit plans	-	-	-	-	(1.72)	(1.72)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2019	(25,764.81)	23.85	18.50	2,856.45	(1.30)	(22,867.31)
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(7,391.61)	-	-	-	-	(7,391.61)
Remeasurements of the defined benefit plans	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2020	(33,156.42)	23.85	18.50	2,856.45	(1.30)	(30,258.90)

Accompanying notes forming part of the financial statements

As per our Audit Report of even date attached

for K.P.Rao & Co

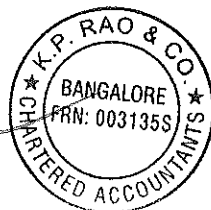
Chartered Accountants

FRN: 003135S

Mohan R. Lavi

Partner

Membership No. 029340



Managing Director

RAGHU YARVA ALLURI

DIN: 01033094

Director

M. SWETHA

DIN: 00025116

CFO

Place: Hyderabad

Date:

**NCC Infrastructure Holdings Limited**  
**Notes forming part of the financial statements**

**1. Corporate Information**

NCC Infrastructure Holdings Limited ("the Company") is an unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is registered with the Reserve Bank of India ("the RBI") as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company. The company is engaged in setting up infrastructure projects through special purpose entities and investing in the said entities by way of equity / debt participation. The Company also provides project management consultancy services to such infrastructure projects. The Company is a subsidiary of NCC Limited. The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively from transactions occurring on or after April, 1, 2017 (transition date).

**2. 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.

**2.2 Basis of preparation and presentation**

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



### **2.3 Applicable from 1 April 2019 New Accounting Standards**

On 30th March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116-Leases which is applicable from 1st April 2019. Ind AS 116 changes the method of accounting for leases. Excluding short-term and small ticket leases, the lessee would have to account for all other leases as a right-to-use asset in their financial statements and recognise a corresponding liability to pay the lessor. THE COMPANY would be implementing Ind AS 116 with effect from Q1 2020. In accordance with the transition provisions of Ind AS 116, differences on adoption would be adjusted to retained earnings as

### **2.4 Amendments to Accounting Standards**

On 30<sup>th</sup> March 2019, the MCA made the following amendments to accounting standards:

### **2.5 Ind AS 19 – Employee Benefits Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. THE COMPANY does not expect this amendment to have any significant impact on its financial statements.

The principal accounting policies are set out below.

### **2.6 Cash Flow Statement**

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

### **2.7 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. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.

### **2.8 Financial instruments**

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

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



## 2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

### Classification of financial assets:

#### Financial assets at fair value through profit or loss (FVTPL):

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the

#### Derecognition of financial assets :

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds

## 2.10 Financial liabilities and equity instruments

### Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity instruments

**Financial liabilities** All financial liabilities are subsequently measured at amortised cost using the effective interest method.

### Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled

## 2.11. Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. 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).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

## 2.12. Provisions, contingent liabilities and contingent assets

In assessing the recoverability of receivables including Investments in subsidiary companies and with related parties, and certain investments, the Company has considered internal and external information up to the date of approval of these standalone financial results. The Company has analysed the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of all these assets. The Company will continue to closely monitor any material changes to future economic conditions., having impact on its investments and will make the

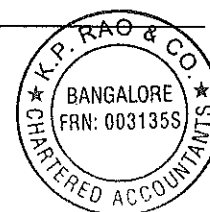


**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2020	As at March 31, 2019
<b>3. Cash and Cash Equivalents</b>		
Cash on Hand	0.11	0.37
Balance with banks:		
In Current Account	9.68	22.88
<b>Total</b>	<b>9.80</b>	<b>23.26</b>
<b>4. Trade Receivables</b>		
(Unsecured, considered good)		
Other trade receivables	25.92	25.92
<b>Total</b>	<b>25.92</b>	<b>25.92</b>
<b>5. Other Receivables</b>		
Holdback Amounts from Sale consideration	240.26	240.26
Consideration on account of Share Sale receivable	900.00	900.00
Unsecured Loan Provided to HSPL	2,666.67	2,666.67
Less : Provision for Impairment allowance of Loan	(2,666.67)	(2,666.67)
<b>Total</b>	<b>1,140.26</b>	<b>1,140.26</b>
<b>6. Long Term Loans and Advances</b>		
Loans and advances to related parties with in India (Refer Note 28(d)(a))		
(Unsecured, considered good)		
Associates	1,391.28	1,350.76
Less : Reversal of notinal Finance Income	(324.98)	-
Less : Provision for Impairment allowance of Loan	(1,066.30)	-
	-	1,350.76
(Unsecured, Considered doubtful)		
Subsidiaries	142.09	142.09
Enterprises owned or significantly influenced by key management personnel or their relatives	195.70	195.70
	337.79	337.79
Less : Provision for Impairment allowance of Loan	(337.79)	(337.79)
<b>Total</b>	<b>-</b>	<b>1,350.76</b>
<b>8. Other Financial Assets</b>	<b>As at</b>	<b>As at</b>
(Unsecured, considered good)	<b>March 31, 2020</b>	<b>March 31, 2019</b>
(i) Loans & Advances to related Parties (with in India)	8,953.45	8,953.45
Less : Non-cumulative Compulsorily Convertible Preference Shares issued	(8,953.45)	-
	-	8,953.45
(ii) Interest accrued on loans	108.38	108.38
Less : Provision for Impairment allowance of accrued Interest	(108.38)	(108.38)
	-	-
<b>10. Other Non-Financial Assets</b>		
Advance income tax & tax deducted at source (net off)	39.16	55.36
GST Input Credit	46.28	50.64
Prepaid Expenses	0.38	0.48
Advances recoverable in cash or in kind or for value to be received	0.03	0.10
<b>Total</b>	<b>85.85</b>	<b>106.57</b>



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

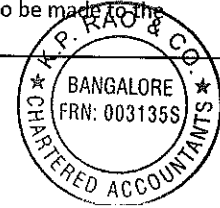
7. Investments		As At	As At
		March 31, 2020	March 31, 2019
<b>7.1</b>	<b>Investments (With in India)</b>		
	in Equity Instruments in Subsidiaries	24,441.95	15,465.35
	in Equity Instruments in Associates	6,200.00	6,200.00
	In Compulsory Convertible in to Equity Debentures IN Group companies	24,023.53	24,023.53
		<b>54,665.48</b>	<b>45,688.88</b>
	Allowance for Impairment (With in India)	5,903.55	1,605.00
		48,761.93	44,083.88
<b>7.2</b>	<b>Investments ( With in India)</b>		
	in Equity Instruments in Others	-	-
		<b>48,761.93</b>	<b>44,083.88</b>

7.3 Details of Investments			
<b>Investments carried at fair value through Profit and Loss</b>			
<b>A. In Equity Shares of Rs.10/- each, fully paid up</b>			
<b>(i) In Subsidiaries</b>			
	Samashti Gas Energy Limited (50,000 Equity shares (March 31, 2018: 50,000 Equity Shares ) Less: Provision for diminution in value of Investments	5.00 5.00	5.00 5.00
	NCC Infra Limited (50,000 Equity shares (March 31, 2018: 50,000 Equity Shares ) Add : Equity Component Loan reclassified to Investment Add : Equity shares allotment of 17852000 @10/- each	5.00 - 1,785.20	5.00 1,768.00 -
		<b>1,790.20</b>	<b>1,773.00</b>
	OB Infrastructure Limited (Refer Notes 7.5 (a ) (9,447,681 Equity shares (March 31, 2018: 9,447,681 Equity Shares)	12,455.43	12,455.43
	Savitra Agri Industrial Park Private Limited (69,600, Equity shares (March 31, 2018: 69,600 Equity Shares) Add : Non-cumulative Compulsorily Convertible Preference Shares of 447970 @2000/- each having face value Rs. 10/- each	1,231.92 8,959.40	1,231.92 -
	<b>(ii) In Associate companies</b>		
	Pondicherry Tindivanam Tollway Private Limited (Refer Notes 7.5 (b)) (3,387,940 Equity shares (March 31, 2018: 3,387,940 Equity Shares) Add : Fairvalue Loan Ammortization to Investment Less: Provision for impairment allowance of Loan	3,351.44 2,848.55 2,848.55	3,351.44 2,848.55 1,600.00
		<b>3,351.45</b>	<b>4,600.00</b>
<b>B. In Compulsorily Convertible in to Equity Debentures</b>			
<b>(i) Promoter Group Company</b>			
	Gayatri Energy Ventures Private Limited Less: Provision for impairment allowance of Investment	24,023.53 3,050.00	24,023.53 -
		<b>20,973.53</b>	<b>24,023.53</b>
		<b>48,761.93</b>	<b>44,083.88</b>
	Aggregate Amount of Quoted Investments	-	-
	Aggregate Amount of Unquoted Investments	<b>48,761.93</b>	<b>44,083.88</b>
	Aggregate Market Value of Quoted Investments	-	-

**Notes:**

7.5 (a) Of these 4,818,369 Shares (March 31, 2019 : 4,818,369 shares) are pledged with IDBI Trusteeship Services Limited as security for NCD issued by OB Infrastructure Limited

7.5(b) Of these 1,853,656 Shares (March 31, 2019 :1,853,656 shares) are pledged with Axis Bank & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Limited. 83,415 shares physically pledged with Axis Bank & WITCO. Also 702,667 shares purchased from NCC Limited (the Holding Company) during 2016-17, but transfer yet to be made to the Company.



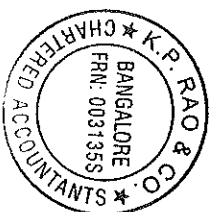
**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the Financial Statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

**9. Property, Plant & Equipment**

Tangible Assets	Gross Block at cost				Depreciation				Net Block	
	As at April 01, 2019	Additions	Disposals / Discarded	As at March 31, 2020	Upto April 01, 2019	Depreciation for the period	Disposals / Discarded	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Furniture and Fixtures	3.46	-	-	3.46	3.39	-	-	3.39	0.07	0.07
Vehicles	85.12	-	-	85.12	40.61	7.33	-	47.94	37.19	44.51
Office equipment	39.83	-	-	39.83	38.08	0.25	-	38.33	1.51	1.75
<b>Total</b>	<b>128.41</b>	<b>-</b>	<b>-</b>	<b>128.41</b>	<b>82.08</b>	<b>7.57</b>	<b>-</b>	<b>89.65</b>	<b>38.77</b>	<b>46.33</b>
As at March 31, 2018	128.41	-	-	128.41	75.08	6.99	-	82.08	46.33	53.33



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

15. SHARE CAPITAL	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
<u>Authorised</u> Equity Shares of Rs.10/-each	75,00,00,000	75,000.00	75,00,00,000	75,000.00
	75,00,00,000	75,000.00	75,00,00,000	75,000.00
<u>Issued, Subscribed and Fully Paid Up</u> Equity Shares of Rs.10/-each	70,89,37,553	70,893.76	69,60,50,446	69,605.04
	70,89,37,553	70,893.76	69,60,50,446	69,605.04

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
At the beginning of the year	69,60,50,446	69,605.04	69,60,50,446	69,605.04
Issued during the Period	1,28,87,107	1,288.71	-	-
At the end of the Period	70,89,37,553	70,893.76	69,60,50,446	69,605.04

**(b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the share holders.

**(c) Allotment of shares on Rights issue basis**

Pursuant to approval accorded by the Board of Directors in its meeting held on 12th September 2019, the Company has issued 1,21,73,107 Equity Shares of Rs.10/- each at par on rights basis and made allotment of 1,21,73,107 Equity Shares at par of Rs.10/- each to M/s NCC Limited through a Circular Resolution passed on 30th September, 2019 against receipt of consideration partly by way of conversion of inter-corporate deposits together with interest accrued thereon till the date of allotment and partly by infusion of fresh capital.

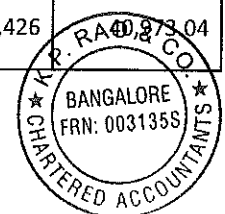
Pursuant to approval accorded by the Board of Directors in its meeting held on 30th October 2019, the Company has issued 714000 Equity Shares of Rs.10/- each at par on rights basis and made allotment of 714000 Equity Shares at par of Rs.10/- each to M/s NCC Limited against the Share application money received during the period.

**(d) Details of share holders holding more than 5% share in the Company**

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% Holding	No. of Shares	% Holding
NCC Limited ( the Holding Company - along with its nominees)	44,53,24,458	62.82%	43,24,37,351	62.13%
Gayathri Energy Ventures Private Limited	26,36,13,095	37.18%	26,36,13,095	37.87%

**(f) Details of shares issued for consideration other than cash:**

	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Bonus Shares to NCC Limited in the year 2013-2014 ( the Holding Company)	40,97,30,426	40,973.04	40,97,30,426	40,973.04



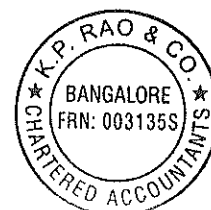


## NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2020	As at March 31, 2019
<b>11 TRADE PAYABLES</b>		
Other than acceptances		
a) Dues of Creditors other than Micro and Small Enterprises	45.74	18.63
	<b>45.74</b>	<b>18.63</b>
<b>12 Borrowings :</b>		
Loan from Holdings Company (Refer Note 12a)	-	844.10
	-	844.10
<b>13 Provisions</b>		
Provision for employee benefits:		
Provision for gratuity	0.07	1.37
Provision for compensated absences	2.35	13.05
Statutory remittances	1.78	2.11
Provison on Standard Assets	70.61	70.61
	<b>74.80</b>	<b>87.13</b>
<b>14 OTHER Non - FINANCIAL LIABILITIES</b>		
Provision pursuant to Obligation on sale of Investment in HSPL - (Refer Note No.23)	9,307.13	8,042.84
	<b>9,307.13</b>	<b>8,042.84</b>
<b>16. Notes to Other Equity</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
<b>Securities premium account</b>		
Opening balance	2,856.45	2,856.45
Closing balance	<b>2,856.45</b>	<b>2,856.45</b>
<b>General Reserve</b>		
Opening balance	18.50	18.50
Closing balance	<b>18.50</b>	<b>18.50</b>
<b>Reserve under Section 45 IC of RBI Act, 1934</b>		
Opening balance	23.85	23.85
Closing balance	<b>23.85</b>	<b>23.85</b>
Other Comprehensive Income	(1.29)	(1.29)
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Opening balance	(25,764.81)	(21,128.13)
Add: (Loss)/ Profit for the year	(7,391.61)	(4,636.68)
Closing balance	<b>(33,156.42)</b>	<b>(25,766.10)</b>
<b>Total of Reserves and Surplus</b>	<b>(30,258.90)</b>	<b>(22,867.31)</b>



**NCC INFRASTRUCTURE HOLDINGS LIMITED**

**Notes to the financial statements for the period ended March 31, 2020**

All Amounts in Rupees in Lakhs unless otherwise stated

	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>17. REVENUE FROM OPERATION</b>		
<b>(i) Others</b>		
Co-ordination Services Fees	48.00	48.00
	<b>48.00</b>	<b>48.00</b>
<b>18. OTHER INCOME</b>		
(i) Interest on I.T.Refund	1.78	42.35
(ii) Net gain on derecognition of financial instruments(amortised cost)	40.52	150.63
	<b>42.31</b>	<b>192.98</b>
<b>19. Finance Cost on financial Liabilities at Ammortized Cost</b>		
Interest on ICD to Holding Company	61.78	95.21
Commission on Bank Guarantee	-	48.21
Bank Charges	0.39	0.40
	<b>62.17</b>	<b>143.82</b>
<b>20. EMPLOYEE BENEFITS</b>		
Salaries, Wages & Other allowances	59.55	129.70
Contribution to Provident funds	3.16	6.67
Staff welfare expenses	1.18	0.92
	<b>63.89</b>	<b>137.29</b>
<b>21. OTHER EXPENSES</b>		
Rent	7.45	8.48
Rates and Taxes	2.61	0.57
Power charges	2.86	3.25
Travelling and Conveyance	5.32	11.28
Insurance	0.91	1.87
Repairs and Maintenance - other assets	0.26	0.55
Professional Charges	12.48	10.36
Audit Fees	4.63	4.30
Director Sitting Fees	11.25	8.75
Office Maintenance	1.92	1.77
Arbitration Costs	343.38	238.35
Miscellaneous Expenses	1.09	2.45
Other receivables written off	-	164.59
	<b>394.15</b>	<b>456.57</b>
<b>21.1 Audit Fees</b>		
Statutory Audit Fee	2.60	2.60
Tax audit Fee	0.45	0.45
Other Services	1.58	1.25
	<b>4.63</b>	<b>4.30</b>



**NCC Infrastructure Holding Limited;**

Notes to the financial statements for the period ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

**22. Contingent Liabilities and commitments (to the extent not provided for)**

	As at March 31, 2020	As at March 31, 2019
Contingent liabilities :	NIL	NIL

**23. Sale of Investment in HSPL**

The Company, during the year 2012-13, entered into a Securities Purchase Agreement (SPA) with TAQA India Power Ventures Private Ltd - formerly TAQA Jyothi Energy Ventures Private Ltd (TAQA) for sale of 41,44,300 equity shares of Rs. 10/- each and 78,58,900 Zero Coupon Irredeemable Fully Convertible Debentures held by it in Himachal Sorang Power Limited (HSPL).

In terms of SPA, the sale of shares to be effected in two tranches viz initial sale and subsequent sale. Initial sale shares transferred and consideration realised in 2012-13. Against Subsequent sale of shares amount partly received in advance and shares transfer completed on 22.01.2019. Balance consideration receivable Rs. 9,00,00,000/- against subsequent sale shown under Other Receivable

During the year 2012-13, the management has estimated and made a provision of Rs. 51,95,68,675/- towards its obligation to meet cost over runs, contingencies, etc. During 2014 - 15 TAQA invoked bank guarantee of Rs.36,00,00,000 submitted by the Company as security adjusted with this provision. During 2017-18 Receivable amounts on account of advances paid to HSPL for expenses Rs.. 140834224/- adjusted with this provision. The net provision amount of Rs.18734451/- presented under 'Provision pursuant to sale of investments in HSPL .

During 2014 - 15, TAQA and HSPL had invoked the arbitration proceedings under the SPA, in Singapore International Arbitration Centre, detailing various disputes / claims aggregating to Rs. 409,89,88,202/-, which is revised to Rs. 671,42,90,000/- during the Arbitration Process. The Company denied all the disputes / claims in its entirety and also raised Counter Claims aggregating to Rs. 210,33,49,952/- (subsequently revised to Rs. 78,50,25,093/-). The Learned Arbitral Tribunal has while quashing the claims of TAQA, has allowed certain claims of HSPL Amounting to Rs 108,38,25,790/- (after adjustments of receivables ) together with interest commencing on varied dates

In March 2018 TAQA and HSPL has filed a petition before the honourable High Court of Delhi for Enforcement of a Foreign Award and the Company has raised preliminary objections on the grounds of Jurisdiction and the next hearing is slated on 15th July 2020.

Further, TAQA/HSPL and NCCIHL have filed setting aside (of award) applications in Singapore High Court in April and June 2018 respectively. In Jan 2019, Singapore High Court has dismissed setting aside applications of both parties and grounds for setting aside were provided in Nov 2019. Both parties have challenged the Singapore High Court's decisions in the Court of Appeal, Singapore. The applications in Court of Appeal were filed in Feb 2019 and the hearing date is yet to be informed (initial date scheduled is cancelled due to COVID-19

NCCIHL has also filed an application in National Company Law Tribunal (NCLT) at Chennai for recovery of Rs. 9 Crores (plus interest) from TAQA as that portion of the Award has become final since it was not challenged by TAQA in the Singapore High Court. The oral and written submissions are completed in the matter and the Judgement is awaited. The next date of hearing in this matter is yet to be notified.

During the Current Financial Year 2019-20, the Management reviewed various items of the claims of both the parties and also considering the in-house legal experts opinion, assessed the likely outcome of the claims and basing on such assessments a further amount of Rs. 12.64 Cr. crores is provided under "Provision Pursuant to sale of Investment of HSPL" in addition to the provision made in previous years.

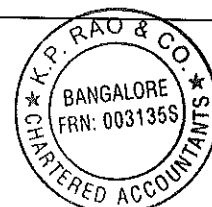
**24 Provision for Diminution in the value of Investments / for recoverability of advances of Associates**

A. The company has invested in Equity and advance monies in Pondichery Thindivanam Tollway Private Limited, have incurred losses during the year and also accumulated losses at the reporting period. Hence, basing on fairvalue measurement by considering future cashflow and certain claims receivable, company made a provision of Rs.16 Cr. as at 31.03.2019 and further provision made for Rs.23.15 Cr. during 2019-20 on account of Impairment Loss

B. During the financial year 2017-18, NCCIHL sold its investment in Sembcorp Gayatri Power Ltd to Gayatri Energy Ventures Pvt Ltd (GEVPL) at carrying value. As part consideration for this sale, NCCIHL received 16,19,928 compulsorily convertible debentures for a value of Rs 240.23 Crores. NCCIHL has conducted Risk Assessment of its assets including its investment in GEVPL. In accordance with the same, a provision has been made for an amount of Rs 3050 lakhs as "provision for allowance of impairment loss" as on 31st March 2020. In the absence of visibility as to profits, a deferred tax Asset has not been created in respect of this impairment."

**25. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

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, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.



**NCC Infrastructure Holding Limited**

Notes to Financial Statements for the year ended March 31, 2020

**26. Employee Benefits**

In Accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of liability by an Independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well diversified and as such, the long term return on the policy is expected to be higher than the rate of return on Central Government bonds.

(i) "Liability for retiring gratuity as on March 31, 2020 is Rs.3.18 lakhs (March 31, 2019: 12.21 lakhs) of which Rs. 3.12 lakhs (March 31, 2019 Rs. 10.84 lakhs) is funded with the Life Insurance Corporation of India. The balance of Rs.0.07 lakhs (March 31, 2019 Rs. 1.37 lakhs) is included in provision for Gratuity.

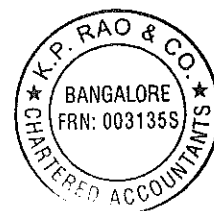
The liability cost of compensated absence Rs. 235383/- (March 31, 2019 Rs. 13,04,898/-) are unfunded and has been actuarially determined and provided for in books of account.

Details of the company's post retirement gratuity plans for its employees including wholetime directors are given below, which is certified by the actuary

	Rs. Lakhs	
	March 31, 20120	March 31, 2019
Amount to be rerecognized in Balance sheet		
Present value of defined benefit obligation	3.18	12.21
Fair value of plan assets	(3.12)	(10.84)
Net Liability	0.07	1.37
<b>The above Liability Classified as</b>		
Long Term	3.06	11.59
Short Term	0.13	0.62
<b>Expenses recognised in Statement of Profit and Loss</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Current service cost	0.27	0.49
Interest cost	0.19	0.16
Net actuarial (gain)/loss through P&L	0.46	0.65
Net actuarial (gain)/loss through OCI	(1.74)	1.72
<b>Net benefit expense</b>	<b>(1.28)</b>	<b>2.36</b>
<b>Change in present value of the defined benefit obligations</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Opening defined benefit obligation	12.21	16.67
Current service cost	0.27	0.49
Interest cost	0.89	1.03
Benefits paid	(1.27)	(7.58)
Increase/decrease due to plan combination	(7.21)	
Actuarial (gains)/losses on obligation	(1.70)	1.61
Closing defined benefit obligation	3.18	12.21
<b>Assumptions for gratuity and Leave encashment</b>	<b>March 31, 20120</b>	<b>March 31, 2019</b>
Discount rate	7%	8%
Rate of increase in compensation levels	5%	6%
Rate of return on plan assets	6%	6%
Adjusted average future service	22.36	16

**27. Segment Information**

The Company's operations predominantly consist of Investment in Group Companies. Hence there are no reportable segments under Ind AS 108. During the year under report, the Company's business has been carried in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.



**NCC Infrastructure Holding Limited**

Notes to the financial statements for the year ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

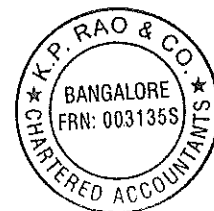
**28. Related party transactions**

**a) List of related parties and relationship**

Name of the Related party	Relationship
M/s. NCC Limited	Holding Company
M/s. Gayatri Energy Ventures Private Limited	Promoter Group Company
M/s. Samishti Gas Energy Limited	Subsidiary
M/s. NCC Infra Limited	Subsidiary
M/s. OB Infrastructure Limited	Subsidiary
M/s. Savitra Agri Industrial Park Private Limited	Subsidiary
M/s. Pondicherry Thindivanam Tollway Limited	Associate
M/s. Himalayan Green Energy Private Limited	
M/s. Sirisha projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Mr. Raghu Varma Alluri, Managing Director Ms. Priyanka Rajora (w.e.f as CS 01.08.2017) Mr. Y.Venkateswara Rao (w.e.f.as CFO 01.11.2017)	Key Managerial Personnel

**b) Related party transactions entered into during the year are as follows**

	Year ended March 31, 2020	Year ended March 31, 2019
<b>(i) Inter Corporate Deposit Received</b>		
M/s. NCC Limited	199.61	241.56
<b>(ii) Interest on Inter Corporate Deposit</b>	-	-
M/s. NCC Limited	55.60	95.21
<b>(iii) Expenses/BG Commission debited by the holding company</b>	-	-
M/s. NCC Limited	-	48.21
<b>(iv) Inter Corporate Deposit Refunded</b>	-	-
M/s. NCC Limited	-	816.79
<b>(v) Interest on Inter Corporate Deposit Refunded</b>		
M/s. NCC Limited	-	48.21
<b>(vi) Share application money Received</b>		
M/s. NCC Limited	189.40	-
<b>(vii) Shares Allotment</b>		
M/s. NCC Limited	1,288.71	-
<b>(viii) Shares Application Money infused</b>		
M/s. NCC Infra Limited	17.20	-
M/s Savitri Agri Industrial Park Private Limited	6.00	9.00
<b>(ix) Management Fee (Excluding GST)</b>	-	-
M/s. OB Infrastructure Limited	48.00	48.00
<b>(x) Rent Paid</b>		
M/s. Sirisha projects Private Limited	7.45	8.48
<b>(c) Credit Balances Outstanding</b>		
<b>(a) Inter Corporate Deposit from Holding Company</b>		
M/s. NCC Limited	-	844.10



**NCC Infrastructure Holding Limited**

Notes to the financial statements for the year ended March 31, 2020

All Amounts in Rupees in Lakhs unless otherwise stated

<b>(d) Debit Balances Outstanding</b>		-
<b>(a) Long Term Loans/Advances</b>		-
<b>Subsidiaries</b>		-
M/s. Samishti Gas (Refer Note 6)	142.09	142.09
M/s. NCC Infra Limited	-	1,768.00
<b>In Associates</b>		-
M/s. Pondicherry Thindivanam Tollway Limited (Refer Note 6 & 7)	3,914.86	1,350.76
<b>In Enterprises owned or significantly influenced by key management personnel or their relatives</b>		-
M/s. Himalayan Green Energy Private Limited (Refer Note 6)	195.70	195.70
<b>(b) Short Term Loans/Advances</b>		
<b>Subsidiaries</b>		
M/s Savitri Agri Industrial Park Private Limited	-	8,953.45
<b>(c) Interest Accrued on Loans</b>		-
M/s. Himalayan Green Energy Private Limited (Refer Note 6)	108.38	108.38
<b>(d) Trade Receivables</b>		-
M/s. OB Infrastructure Limited	25.92	25.92

**29. Earnings per share (EPS)**

	Year Ended March 31, 2020	Year Ended March 31, 2019
Net Profit/(Loss) after tax available for equity shareholders	(7,391.61)	(4,636.69)
Weighted average no of equity shares for Basic EPS	6,961	6,961
Weighted average no of equity shares for diluted EPS	6,961	6,961
Face value per share	10.00	10.00
Basic EPS	(1.06)	(0.67)
Diluted EPS	(1.06)	(0.67)

Signatories to Note "1 to 29"

for and on behalf of the board

  
 Managing Director

  
 Director

  
 CFO

Place : Hyderabad

Date :

