

8TH

ANNUAL REPORT 2021-22

75
Azadi Ka
Amrit Mahotsav

Setting & Maintaining
High Standards
of Performance



NBCC SERVICES LIMITED

[A wholly owned subsidiary of NBCC (India) Limited]



Kota House, Shahjahan Road, New Delhi



Ministry of Minority Affairs (MOMA) CGO Complex, New Delhi



Registered & Corporate Office

NBCC SERVICES LIMITED (NSL)

A Govt. of India Enterprise

[A wholly owned subsidiary of NBCC (India) Limited]

CIN-U74900DL2014GOI272532

Regd. Office: NBCC Centre, Ground Floor Plot No.2,
Community Center Okhla Phase -1, Delhi South Delhi-110020

E-mail: nsi@nbccindia.com | **Website:** www.nslindia.in | **Contact:** 011-45661608, 45721410



CBI Building, New Delhi



Andhra Pradesh Bhawan, Ashoka Road, New Delhi



Commission for Air Quality Management (CAQM), STC Building, New Delhi



NBCC SERVICES LIMITED at Glance

NBCC Services Ltd (NSL), set up in October 16, 2014, is a wholly owned subsidiary of NBCC with mandate to extend maintenance services in respect of projects completed by the parent company, NBCC so as to provide end to end services to its customers. NSL has earned a niche for itself in the field of Post Construction Maintenance Services, consistently ensuring quality, sustainability, innovation and cost-effectiveness for its clients. The maintenance projects earlier being handled by NBCC, have now become the responsibility of NSL. In addition, the company, of late, has also secured some renovation/furnishing projects directly from the clients such as National Gallery of Modern Art (NGMA) Ministry of Minority Affairs (MOMA) Department of Public Enterprises (DPE), Travancore Bhawan, Oriental Insurance, Coal India Ltd., Bharat Electronics Ltd., etc and in maintenance, have added Vanijya Bhawan under Ministry of Commerce and Industry.

NSL is also extending maintenance support to Real Estate Projects completed by NBCC and delivered to its customers.

BUSINESS OPERATIONS

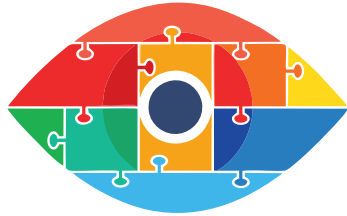
Business operations of the company at present, comprise two verticals :

- **Post Construction Maintenance:** The nature of work in the maintenance includes Facility Management Service; Operation-cum-Maintenance of buildings including civil and plumbing works; Electrical, HVAC Works; Fire Fighting Works; Operation of DG Sets; Pumps ; Lifts etc.
- **Renovation & Furnishing:** All types of renovation, re-furbishing of old buildings and also interiors & furnishing of new buildings for various clients.

MAIN OBJECTIVES:

- Attaining Global Standards in post construction business with professional outlook.
- To provide highly effective and cost efficient services to the clients.
- To create a niche in the market for interior renovation and furnishings of new buildings.
- Value for Money Customer Delight.
- Exploring new areas with the objective to diversify.
- Upgradation of skill and knowledge with the changing scenario to remain in reckoning. NSL also looks for business opportunities from Ministries, Govt./Semi Govt. Departments, PSUs, Autonomous Bodies. Of late, Central/State Govt. Agencies have started availing expert services of NSL for their maintenance works, renovation of their office premises.

VISION



“ To be the best post construction business company known for its state of art quality at a bare minimum cost and immediate responsiveness. ”

OUR MISSION

“ To be leading pioneer world class Company attaining global standards in post construction business, offering quality, sustainable, innovative and cost-effective services. ”



OBJECTIVES



“ To carry on business in respect of residential as well as commercial projects and provide any type of services e.g. – post construction services, layout structural work, renovation, modification, designing of civil works, improve security and safety provisions To supply logistic support, manpower or services. ”





REFERENCE INFORMATION

Registered Office

Regd. Office: NBCC Centre, Ground Floor Plot No.2,
Community Center Okhla Phase -1, Delhi-110020

Board of Directors

Smt B.K. Sokhey

Shri M.B. Singhal

Shri A.K. Sharma

Senior Managerial Personnel

Shri Sanjay Kumar Gupta, Chief Executive Officer

Shri Mukesh Kumar Jain, Chief Finance Officer

Statutory Auditors

M/s Arun Malhotra & Company
(Chartered Accountants)

Bankers

Canara Bank

Indusind Bank





Government Opium and Alkaloid Factories, NSIC Estate, Okhla, New Delhi



Guest House of Bharat Electronics Limited, Kidwai Nagar, New Delhi

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BOARD OF DIRECTORS



Smt. B.K. Sokhey
Chairperson



Shri MB Singhal
Director



Shri Arun Kumar Sharma
Director



Shri Rakesh Gupta
Director
(Till February 28, 2022)



DIRECTORS' PROFILE

Smt. Baldev Kaur Sokhey

Chairperson, NBCC Services Ltd

Smt. Baldev Kaur Sokhey is the Chairperson on the Board of NBCC Services Limited and Director (Finance) in NBCC (India) Limited. A B.Com (Hons.) from the prestigious Shree Ram College of Commerce of Delhi University and a Fellow of the Institute of Cost Accountants of India, she started her career with Peerless General Finance. After serving there for approx. two years (from 1987 to 1989) she joined NBCC as Accounts Officer in the Finance Department at Corporate Office, New Delhi, on January 15, 1990.

Smt. B.K. Sokhey has, to her credit, more than 34 years of rich experience of working in different capacities in all the areas of Accounts and Finance. She has wide exposure in Treasury Management, Corporate Accounts, Tendering, Merger & Acquisition, Investor Relations & IPO Management and has played a key role in the development and introduction of ERP system in NBCC.

In addition to her present assignment, Smt. B.K. Sokhey had also worked as a Director (Finance)/Additional Charge in Hindustan Steelworks Construction Limited (HSCL), subsidiary of NBCC and she is also on the Board as a Director of Real Estate Development & Construction Corporation of Rajasthan Limited (REDCC), a JV Company of NBCC.

Shri M B Singhal

Director

Shri M.B. Singhal is a Director on the Board of NBCC Services Limited. He is a chartered accountant with more than 26 years of experience to his credit, Shri M.B. Singhal joined as director of NBCC Services Limited w.e.f. 01.02.2021. He is currently serving as Head of the Department (Finance)/Chief General Manager (Finance) with NBCC (India) Limited. He is also holding position of Director in NBCC Environment Engineering Limited.

Shri Arun Kumar Sharma

Director

Shri Arun Kumar Sharma joined NBCC (India) Ltd. on 11th June, 2014 as General Manager (Engg.) & subsequently climbed up the ladders of success to become Executive Director (Engg.) in the year 2021. He graduated in Civil Engineering from "B.I.T., Sindri, Jharkhand" in the year 1993. Before joining NBCC, he worked with M/s L&T Ltd wherein he had been instrumental in successful completion of various multidisciplinary prestigious projects such as IGI Airport (T3), Delhi, Taj Hotel, Dwarka, P&G Factory; Bhopal, Honda City Car Factory Bhiwadi, Safdarjung Super Speciality Hospital etc. having varied experience spanning over 28 years in the field of Civil engineering.

Shri Sharma has spearheaded critical projects in various capacities such as Re-development of East Kidwai Nagar, WHO Works, SIC Works, Kaushal Bhawan Works, ASI Works at different locations (Lal Quila, Purana Quila, Qutub Minar, Safdarjung Tomb & Jallianwala Bagh), DTC Works, Printing Press Works, Statute of Netaji Subhas Chandra Bose at India Gate and handling various projects (SSB, ITBP, Medical College & Hospital Works etc.) in Rajasthan State. Thereafter, he has been elevated to the post of Director of REDCC (a subsidiary company of NBCC) & NSL (a subsidiary company of NBCC). Shri Sharma is also heading to RBG (EKN & Rajasthan), Kidwai Nagar (East), New Delhi.

SENIOR MANAGERIAL PERSONNEL

Shri Sanjay Kumar Gupta

Chief Executive Officer



Sanjay Kumar Gupta, a Civil engineer by profession, did his B.E. (Civil) from Govt. Engineering College, Bilaspur. He joined NBCC in April 2015 and is currently holding position of Chief Executive Officer (CEO) with NBCC Services Ltd (NSL), a wholly owned subsidiary of NBCC. Prior to joining NSL, Mr. Sanjay Kumar Gupta served as Zonal Head of NBCC, East Kidwai Nagar project. In a career spanning over 26 years, he has also work with other govt. department such as HLL Life Care Ltd and private organisation of repute like ABB, Jindal & Mukand steels. During his stint at above organisations he handled various assignment involving project execution , planning, estimation , Quality Control and monitoring.

Shri Mukesh Kumar Jain

Chief Financial Officer (w.e.f. August 16, 2022)



Sh. Mukesh Kumar Jain is a Chartered Accountant by profession and is a Fellow Member of The Institute of Chartered Accountants of India. He is having wide and diversified experience in various fields. He Joined NBCC in September 2016 and is currently holding the position of CFO in NBCC Services Limited.

Prior to joining NSL, Sh. Jain has served as RBG/SBG finance head of RBG-West & RBG-Nagpur at Mumbai office in PMC vertical of the NBCC. Before this he has worked as RBG finance head of RBG-Real Estate division in Real Estate vertical of Company. He is having around 25 years of work experience. Before joining NBCC he has worked around 15 years with NHPC Limited, a Central Govt. of India major Hydro power generating company.

Shri Amarnath Mourya

Chief Finance Officer (till August 16, 2022)



Shri Amarnath Mourya is a fellow member of Institute of Cost Accountants of India. He is having wide and diversified experience of Budgeting, Accounting, Costing and Tax. Prior to NSL, he was working with NBPPL.

Shri Novman Ahmed

Chief Executive Officer (till November 30, 2021)



Mr. Novman Ahmed, a Civil Engineer by profession, did his AMIE and ME (Civil) from MBM Engineering College, Jodhpur. He joined NBCC in September 2015. A career spanning over 23 years, Mr. Ahmed has also worked with Govt. Departments and Organizations of repute such as Military Engg. Services, National Bank for Agriculture and Rural Development (NABARD), IFCI Ltd. and Steel Authority of India Limited (SAIL).



MAJOR ACHIEVEMENTS UNDER CSR ACTIVITIES

NSL is committed to nation building and contribute to the society that will sustain its growth. It works with communities near its operations to implement a range of programs that can positively impact their lives. Taking a holistic approach, our teams participate throughout a project's lifetime and contribute in areas such as health, education, nutrition, infrastructure development and local employment. This section provides information on our corporate social responsibility performance in FY 2021-22.

CONTRIBUTING TO THE CAUSE OF HEALTH

Health is a state of complete physical, mental and social well-being and it plays a critical role in well-being of society. NSL closely works in promoting good health of the society at large. As per DPE guidelines for CSR expenditure of CPSEs, nutrition has been identified as one of the common thematic area for undertaking CSR by CPSEs.

- Doorstep Delivery of Dry ration to 65 girls students of Kalinga Institute of Social Sciences (KISS), Bhubaneswar belonging to Aspirational District of Odisha under Nutrition theme.

NSL has extended nutrition food to 65 Tribal Girls students at Kalinga Institute of Social Sciences(KISS).



CONTRIBUTING TO PM CARES FUND

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

Accordingly, NSL contributed approx Rs 7.22 lakh towards Prime Minister CARES Fund.

CHAIRPERSON'S COMMUNIQUE TO SHAREHOLDERS





Dear Shareholders,

My Heartiest Congratulations as India is celebrating "Azadi Ka Amrit Mahotsav"

I welcome you all to the 8th Annual General Meeting of NBCC Services Limited (NSL). The Annual Report for financial year ended at March 31, 2022 along with the Directors' Report, Audited Annual Accounts and Auditor's Report of the Company are with you and, with your permission, I take them as read.

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

Financial Highlights

Your Company's performance during the financial year 2021-22 comprises of revenue from operations achieved **Rs. 121.29 crore** and net profit after tax stood at **Rs. 4.26 crore** new projects of **Rs. 184.55 crore** were secured during year 2021-22 and after execution balance work order in hand stood at **Rs. 162.19 crore** at the end of fiscal 2021-22 with significant position of cash and cash equivalent of **Rs. 41.86 crore**. Total final dividend proposed for the financial year 2021-22 is **Rs. 2.5 crore**.

Business Outlook

The roadmap for the growth in the Company of this magnitude from its present level require collaborative, rejuvenated effort and zeal, tapping potential areas of business, sharpening of knowledge and skill, up gradation of technology and research & development. In our onward journey, we need utmost commitment to values, ethical, business conduct and transparency. Towards achieving our vision of exponential growth in the Company, we have laid down certain priorities while continuing to strengthen our position in core area of Operation & Maintenance and Interior/Renovation/Fit-out/Special Repair works. The businesses for interior/renovation/fit out works secured are Department of Public Enterprises (DPE), National Gallery of Modern Art (NGMA), Government of Opium & Alkaloid Factories (GOAF), Ministry of Minority Affairs (MOMA), Commission for Air Quality Management (CAQM), Tehri Hydro Power Complex (THDC), Travancore Bhawan, Oriental Insurance and have further added to our operation & maintenance work of Vanijya Bhawan under ministry of Commerce and Industry. Briefly, I would like to make a mention about these focussed areas:

- NSL has approached Operation & Maintenance projects for townships including residential/non-residential complex.
- The smooth execution of the project within desired time and quality makes NSL to get repetitive work orders and several other new projects from same Clients.
- NSL is procuring event management works from several Government/semi-Government undertakings, NGO, societies, trust, body-corporate, and other organizations.
- NSL is working to secure operation & maintenance of monuments PAN INDIA which will help NSL to become recognizable figure at national level. ASI works PAN INDIA will help to generate business development in various South, East, West and North zones.
- We are looking forward to execute as Project Management Consultant on turnkey basis:
 - a) An Integrated Financial Management Information System (IFMIS) consisting of functionalities for

accounting of Receipts, Payments and Design, Development, Implementation, Commissioning, Provide Training and Hand holding support for IFMIS and compilation of Clients.

b) Conducting Feasibility Study and Preparation of Detailed Project Report for the Clients.

- Comprehensive Architectural & Landscape Design Consultancy Services etc. for the restoration, conservation & public place making in an ecologically sensitive manner for Lakes, Water bodies in various Districts.
- The negligible Client and Contractor grievances have made NSL a trust worthy partner for our end users.
- With an average age contribution of employees with 39 years makes NSL a hub of enthusiastic and young generation who gives thrust to our pace in execution of work with higher surveillance.

IT, CSR Initiatives

NSL has successfully implemented the Enterprise Resource Planning (ERP) software which helps in the integration of management of core business processes in real time.

Your Company is actively involved in many socially relevant programs to promote education, health, natural disaster rehabilitation, skill development and catering for public utility schemes on socio economic development front.

Under the CSR initiatives, your company has contributed Rs. 13 Lakhs for doorstep delivery of dry ration to 65 Girls student of Kalinga Institute of Social Sciences (KISS) Bhubaneshwar and Rs. 7.22 Lakhs towards PM Cares Fund.

Corporate Governance

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

As per DPE in the field of Corporate Governance, as per self-evaluation, your company's Corporate Governance compliance also stood at "Excellent Rating".

Conclusion

I express my sincere thanks to our holding Company i.e. NBCC (India) Limited, the Ministry of Housing and Urban Affairs, various Departments of Government of India/State Governments and Clients Organizations, PSUs etc. for their valued support and look forward to continued support in future. I would also wish to place on record the invaluable support and guidance from all members of the Board of Directors.

I would like to place on record the commitment and hard work put in by our executives and staff in achieving the growth and attaining corporate goals of the Company.

B.K. Sokhey
Chairperson
DIN: 06955670



NOTICE

Notice is hereby given that the 8th Annual General Meeting (“AGM”) of the members of NBCC Services Limited (NSL) will be held on **September 16, 2022 (Friday) at 12:45 P.M. Indian Standard Time (“IST”), at NBCC Bhawan, Lodhi Road, New Delhi-110003, India** and through Video Conferencing (‘VC’)/other Audio Visual Means (‘OVAM’) facility to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Comments of Comptroller and Auditors General (C&AG) of India thereon.
2. To declare a Final Dividend of Rs 8.33 per paid up equity shares of Rs. 10/- each for the financial year ended March 31, 2022.
3. To appoint a Director in place of Shri Mukat Bihari Singhal (DIN 07282642), who retires by rotation and being eligible, offer himself for re-appointment.
4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the FY 2022-23 as appointed by the Comptroller and Auditors General of India.

SPECIAL BUSINESS

5. To regularize the appointment of Shri Arun Kumar Sharma (DIN 09375700) as Director of the Company and to consider and if thought fit, to pass with or without modification (s), the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Arun Kumar Sharma (DIN:09375700), who was appointed as the Additional Director, w.e.f. April 19, 2022 be and is hereby appointed as Director of the Company and he shall be eligible to retire by rotation.”

**By or der of the Board of Directors
For NBCC Services Limited**

Sd/-

B.K. Sokhey

Chairperson

DIN:06955670

Place: New Delhi

Date: August 22, 2022

NOTES

1. The Explanatory Statement pursuant to the provisions of the Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL IN HIS/HER BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING (FORM OF PROXY IS ANNEXED).**
3. In line with the MCA Circulars, the Notice of the 8th AGM will be available on the website of the Company at www.nslindia.in.
4. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
5. Since the Members are being also provided with the facility of attending the AGM through VC/OAVM, the members can convey their vote by sending email from their registered mail id at nsi@nbcindia.com, if the Poll is required to be taken during the meeting for any resolution.
6. Final Dividend of Rs. 8.33 per paid up equity shares of Rs. 10/- each for the financial year ended March 31, 2022 has been recommended by the Board of Directors in its Board Meeting held on May 11, 2022 subject to the approval of the Shareholders at ensuing Annual General Meeting.
7. **COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION:** As you may be aware w.e.f. 1st April 2020, Dividend Distribution Tax u/s 115-O of the Income-tax Act, 1961 ("the IT Act") payable by domestic companies on declaration of dividend has been abolished. Pursuant to this amendment and certain consequential amendments brought vide Finance Act, 2020, the Company would be under an obligation to deduct tax at source ("TDS") in accordance with the provisions of the IT Act, from dividend distributed on or after 1st April 2020.
8. The record date for the purpose of dividend is September 10, 2022. The final dividend on equity shares, if declared at the Annual General Meeting, will be paid before October 15, 2022 to the Members whose names appear on the Company's Register of Members on September 10, 2022.
9. Since the Company is also providing facility for attending the AGM by the Members through VC/OAVM, the Members attending the same shall be counted for the purpose of reckoning the quorum u/s 103 of the Act.
10. In view of the prevailing COVID-19 pandemic scenario, the Ministry of Corporate Affairs ('MCA') vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 02/2021, 17/2020, 14/2020 & 2/2022 dated January 13, 2021, April 13, 2020, April 8, 2020, May 5, 2022 respectively, Notice of the AGM along with the Annual Report 2021-22 is being sent also through electronic mode to those Members whose email addresses are registered with the Company.
11. The Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India and their remuneration is to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. It is proposed that the Members may authorize the Board of Directors to fix the remuneration in addition to applicable taxes and reimbursement of actual travelling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.
12. All documents referred to in the accompanying Notice and statement pursuant to section 102 (1) of the Companies Act, 2013 are open for inspection at the Registered office of the Company on all working days, between 11.00 a.m. to 05.00 p.m. prior to the AGM (except Saturday and Sunday).



13. The members intending to seek any information on annual accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the AGM by sending request at nslnbcccindia.com
14. In addition to physical copy, soft copy of notice would also be circulated to shareholders
15. Brief profile of the Directors seeking appointment/re-appointment forms part of the Notice.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

In addition to holding of physical meeting, the company is also providing the facility to the Members to attend the AGM through VC/OAVM at the link given below:

https://teams.microsoft.com/l/meetupjoin/19%3ameeting_ZDczYTNhMDctZTY4Yi00NmM2LTlhM2QtN2ZjMzEzM2E2ZTI1%40thread.v2/0?context=%7b%22Tid%22%3a%22b1bd00e9-299f4205-91a0-e0f28b1735aa%22%2c%22Oid%22%3a%229c30e903-5d21-48d0-b7d2-e0a698e6ae45%22%7d

The above Link of the meeting will be also be sent to the Members at their registered email id separately and on registered mobile number at least 48 hours before the scheduled date of AGM.

1. The facility for joining the meeting will be kept open for 30 minutes before the scheduled time to start the meeting and will be closed on expiry of 15 minutes after such scheduled time.
2. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, PAN and mobile number at nslnbcccindia.com from September 12, 2022 (9:30 a.m. IST) to September 15, 2022 (5:00 p.m. IST). The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Members who need assistance before or during the Annual General Meeting can contact Mr. Krishan Pal Chauhan on itdnbcccindia.com or contact him at +91 7303233277.

**By or der of the Board of Directors
For NBCC Services Limited**

**Sd/-
B.K. Sokhey
Chairperson
DIN:06955670**

**Place: New Delhi
Date: August 22, 2022**

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

Item No.: 5

To regularize the appointment of Shri Arun Kumar Sharma (DIN: 09375700) as Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Arun Kumar Sharma (DIN: 09375700), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. April 19, 2022 be and is hereby appointed as a Director of the Company and whose office shall be liable to retire by rotation.”

“RESOLVED FURTHER THAT any Director of the Company be and is hereby authorized to do all such acts, deeds, things that are necessary to give effect to the above said resolution.”



THDC India Limited, New Delhi



ANNEXURE-A

BRIEF RESUME OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 8TH ANNUAL GENERAL MEETING

| Name | Shri MB Singhal | Shri Arun Kumar Sharma |
|--|--|--|
| Date of Birth | 10/06/1969 | 01/01/1971 |
| Date of first appointment at the Board | 01/02/2021 | 19/04/2022 |
| Experience | 25 years | 29 years |
| Terms and Conditions of Appointment | As per Nominated by Holding Company | As per Nominated by Holding Company |
| Remuneration sought to be paid and the remuneration last drawn | NIL | NIL |
| No. of shares held in NSL | NIL | NIL |
| Relationship with Other Directors and KMP | No inter-se relationship | No inter-se relationship |
| Number of meetings of the Board attended during the FY 2021-22 | Seven (7) | NA |
| Expertise in Specific functional area | Shri MB Singhal is a Chartered Accountant with more than 25 years of experience to his credit, Shri Singhal has wide exposure in compilation, preparation of balance sheet, tendering and establishment etc. | He graduated in Civil Engineering from "B.I.T., Sindri, Jharkhand" in the year 1993, he worked with M/s L&T Ltd wherein he had been instrumental in successful completion of various multidisciplinary prestigious projects such as IGI Airport (T3), Delhi, Taj Hotel, Dwarka, P&G Factory; Bhopal, Honda City Car Factory Bhiwadi, Safdarjung Super Speciality Hospital etc. having varied experience spanning over 28 years in the field of Civil engineering. Shri Sharma has spearheaded critical projects in various capacities such as Re-development of East Kidwai Nagar, WHO Works, SIC Works, Kaushal Bhawan Works, ASI Works at different locations (Lal Quila, Purana Quila, Qutub Minar, Safdarjung Tomb & Jallianwala Bagh), DTC Works, Printing Press Works, Statute of Netaji Subhas Chandra Bose at India Gate and handling various projects (SSB, ITBP, Medical College & Hospital Works etc.) in Rajasthan State. |
| Directorship held in other companies | 1. NBCC Environment Engineering Limited | Real Estate Development & Construction Corporation of Rajasthan Limited |
| Memberships/Chairmanship of Committees of other Companies* | NIL | NIL |

*Membership of the Audit Committee and Stakeholder's Relationship Committee have only been taken into consideration

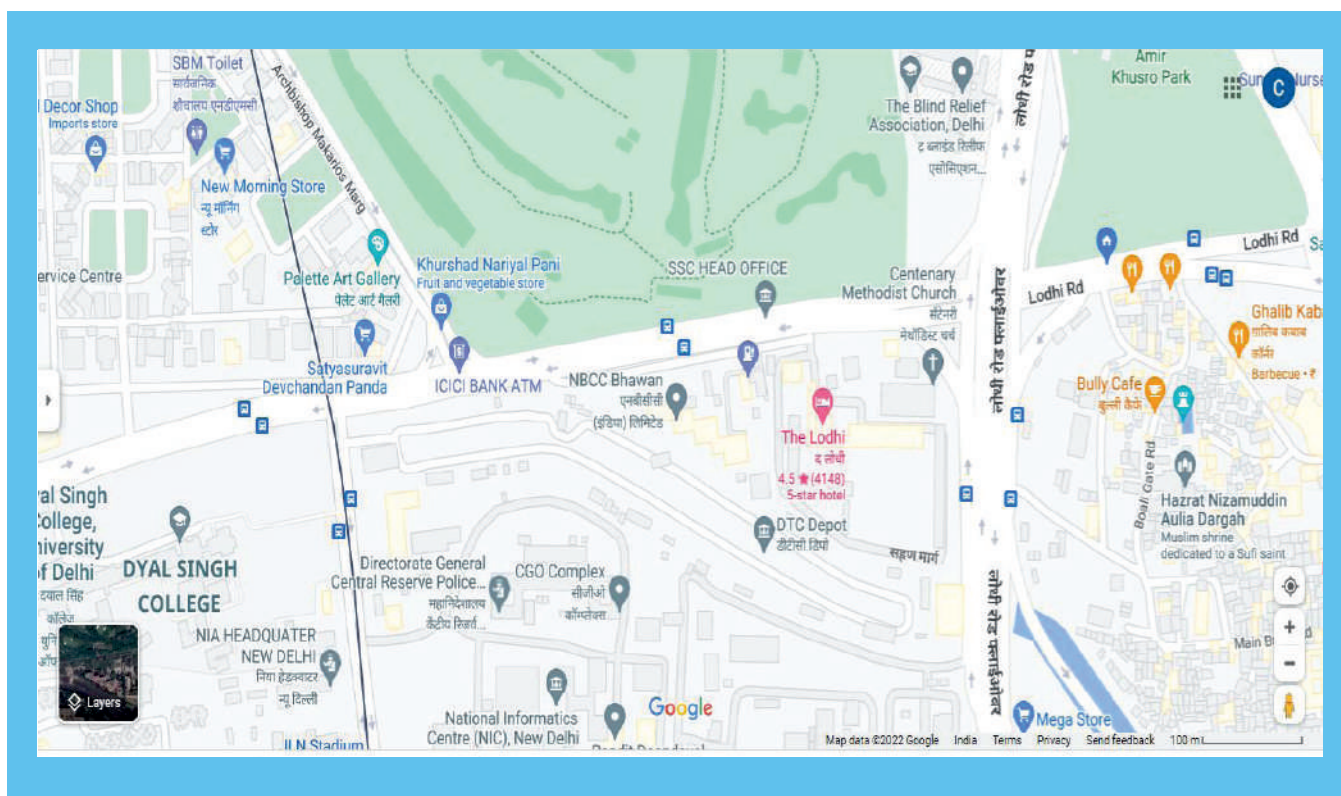
NSL's 08th Annual General Meeting

Date: 16 September, 2022

Time: 12:45 PM

**Venue: NBCC Bhawan, Lodhi Road,
New Delhi-110003**

Route Map





DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to share the achievements and highlights of the Company for the financial year ended March 31, 2022 and to present the 8th Annual Report on the business and operations of NBCC Services Limited and its Audited Financial Statements with the Auditor's Report as follows:

FINANCIAL HIGHLIGHTS

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

(₹ in lakh)

| Particulars | Financial year 2021-22 | Financial year 2020-21 |
|---|---------------------------|---------------------------|
| Total Income | 12,173.30 | 14,914.63 |
| Total Expenses | 11,561.15 | 13,694.56 |
| Profit before Exceptional and Extraordinary items and Tax | 612.16 | 1,220.07 |
| Net Profit/(Loss) After Tax | 426.11 | 955.22 |

Operations and Business Performance

Total income from operations was Rs. 12,173.30 lacs and Profit after Tax was Rs. 612.16 lacs.

Reserves

The Company did not transfer any amounts to its general reserve during the financial year ended March 31, 2022.

Dividend

Your Directors have recommended a final dividend of Rs. 8.33 per paid-up equity share of face value of ₹ 10/- each (i.e. 83.33%) for the financial year 2021-22, subject to the approval of the Members in the ensuing Annual General Meeting.

Share Capital

The paid-up Equity Shares Capital of the Company is Rs. 3 Cr. divided into 30 Lakhs Equity Shares of ₹ 10/- each. NSL being the wholly owned subsidiary of NBCC its all shares are held by NBCC.

Bonus Shares

No bonus shares declared during the financial year 2021-22.

MoU Performance

A Memorandum of understanding (MoU) is signed every year between your Company with the holding Company i.e. NBCC (India) Limited to assess and enhance performance of the Company. The evaluation of MoU of your Company for Financial Year 2021-22 is under process. NSL self evaluated to be slated "Good".

Business Review

The Company has been incorporated as wholly owned subsidiary of NBCC (India) Limited with an objective to provide post construction maintenance services and Interior/Renovation, etc.

Fixed Deposits

During the year 2021-22, your Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2022.

Loan, Guarantees and Investments

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

Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any subsidiary, associates or joint venture companies as per the Companies Act, 2013.

Human Resource Development

All the employees in NSL are on secondment basis from its holding company i.e. NBCC (India) Limited.

HR plays a vital & Strategic role in NSL and the HR Practices were in line with the organization and emphasis on HR vision of Building a Team of Competent, Committed and Dedicated Professionals for Providing Quality Services to the Clients and Make Valuable Contribution in the Infrastructure Development of the Country. The success of NSL depends on the high level of skills and professionalism of employees.

Industrial Relations

Harmonious industrial relations were maintained during the year resulting in no loss of man days on account of strike or labour unrest.

Safeguard of Women at Workplace

NSL being a wholly owned subsidiary of NBCC (India) Limited. The Company follows policy of Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace as adopted by NBCC India Limited.

Your Company is in line with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company has been employing 06 women employees in various cadres at the Project and office premises. There were No cases filed during the financial year ended 31st March, 2022.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report as required under DPE Guidelines forms part of this Report as **Annexure - I.**



Directors' Responsibility Statement

Pursuant to sub-section (5) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- in the preparation of annual accounts for the financial year ended March 31, 2022, all the applicable Indian Accounting Standards were followed with proper explanation relating to material departure;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and such internal controls are adequate and are operating effectively and
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance Report

The Company complies with the guidelines issued by DPE on Corporate governance. The requisite certificate from M/s. PC Jain & Co. Practicing Company Secretaries confirming compliance with the conditions of corporate governance as stipulated aforesaid is attached to Corporate Governance Report.

The Corporate Governance Report for the year ended March 31, 2022 forms part of this report as **Annexure- II**.

Contracts and Arrangements with Related Parties

During the period under review, your Company had not entered into any material transaction with any of its related parties. The Company's related party transactions are generally with its Holding and sister subsidiaries. All related party transactions were in the ordinary course of business and were negotiated on an arm's length basis.

The Remuneration paid to Key Managerial Personal (KMPs) is disclosed in the financial statement of the Company. The related party contracts referred in section 188 of the Companies Act, 2013 in Form AOC-2 and enclosed as **Annexure –III**.

Corporate Social Responsibility Committee (CSR) & Sustainability Development

The company has Corporate Social Responsibility committee in Compliance with the provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has in place a CSR policy in line with Schedule VII of the Companies Act, 2013, which can be accessed on the Company's website at the link www.nslindia.in. During the financial year 2021-22 the Company spent an amount of Rs. 20.22 lakh as CSR expenditure. An Annual Report on CSR activities is attached as **Annexure-IV**.

Compliance of Department of Public Enterprises (DPEs) Guidelines and Policies

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

MSME Implementation

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012. It always has been endeavour of NBCC to support Micro and Small Enterprises (MSEs) and local suppliers. As mandated in the Public Procurement Policy-2012 for MSMEs (issue by Ministry of MSME- Govt. of India), the actual procurement from MSEs during the year was Rs. 0.13 crore.

NSL has on-boarded on GeM, TReDS portal. Efforts are made for procurement as per guidelines.

Risk Management

The Company with the approval of its Board of Directors formulated its own Risk Management Policy and monitors the principal risks and uncertainties that may affect the functioning of the Company.

Internal Quality Control

The Company has in place defined internal quality control mechanism wherein internal quality Audit team carries out Technical Audit of the operation & maintenance/Interior works being executed on quarterly basis. Further Quality Control is also ensured by carrying out material testing by NABL Accredited Labs.

Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial reporting in compliance with the provisions of Section 134(5)(e) of the Companies Act, 2013 and such internal financial controls over financial controls were operating effectively.

In addition to the above, the Company has a well-defined delegation of financial powers to its various officers through its Sub-Delegation of Power book. Internal audit is conducted through external audit firms and reports are deliberated with the management. The Statutory Auditors and Board regularly review significant audit findings covering operational, financial and other areas.

Vigilance Activities and Initiatives

Pursuant to the provisions of Section 177(9) read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the company has followed the Vigil Mechanism Policy as framed by its holdings company viz. NBCC (India) Limited under which protected disclosures can be made by a whistle blower.

IT Division

With the aim of Digital NSL, management envisaged the concept of “Paper Less Office” towards creating more efficient, seamless, transparent work environment. IT division is providing following services:

- ERP Module
- E-office services
- Website administration
- Hardware administration

Auditors and Auditor's Report

Statutory Auditors

M/s. Arun Malhotra & Associates, Chartered Accountants, was appointed as Statutory Auditors for the financial year 2021-22 by the Comptroller & Auditor General of India (C&AG). The notes on financial statement referred in the Auditor's Report are self explanatory and do not call for any further comments. The Auditors' Report is attached with financial statements and forms part of this Annual Report.



The Statutory Auditors of the Company have given an un-qualified report on the financial statements of the Company for the financial year 2021-22.

Comments of C&AG

The Company has received a letter from Comptroller & Auditor General of India (C&AG) regarding no Supplementary Audit on the financial statements of the Company for the financial year 2021-22 and the same is forms part of this report.

Number of Meeting of Board of Directors

Pursuant to the Companies Act, 2013 and the Rules framed there under, Seven (7) Board meetings were held in the financial year 2021-22. The details of the meeting are at Corporate Governance Report forming part of this Annual Report.

Board of Directors and Key Managerial Personnel

Appointments/Cessations

During the FY 2021-22, Smt B.K. Sokhey was appointed as Director/Chairperson of the Company with effect from June 10, 2021. Shri Rakesh Gupta, Director NSL ceased to be Director on his superannuation w.e.f. February 28, 2022.

The strength of the Board of Directors of NSL as on March 31, 2022 comprised of two (2) Non Executive Directors.

Shri Arun Kumar Sharma was appointed as Director of the company with effect from April 19, 2022.

Details of Key Managerial Personnel

The following are the Key Managerial Personnel of the Company for the FY 2021-22 are:

- Shri Sanjay Kumar Gupta, CEO (w.e.f. November 30, 2021)
- Shri Mukesh Kumar Jain, CFO (w.e.f August 16, 2022)
- Shri Novman Ahmed, CEO (till November 30, 2021)
- Shri Amarnath Mourya, CFO (till August 16, 2022)

Performance Evaluation of the Directors and the Board

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

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

Declaration by Independent Director

Pursuant to the notification from Ministry of Corporate Affairs (MCA) dated July 05, 2017, exemption for appointment of Independent Directors provided to the unlisted wholly owned Subsidiary companies. Further, the company does not have an Independent Directors for the financial year 2021-22.

TRAINING OF DIRECTORS

The policy on training of Directors adopted in NBCC (Holding company) is applicable to NSL till it adopts its own policy on training of Directors. The presentation to the inductee directors are given by the senior managerial personnel about the Company's strategy, operations, organization structure, human resource, technology, risk management etc. Besides as a part of the continuous learning participation in seminars and conferences designed for Board level executives by renowned institutes is permissible.

RIGHT TO INFORMATION ACT, 2005

In order to promote transparency and accountability, an appropriate mechanism has been set up across the Company in line with the provisions of the Right to Information Act, 2005.

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

| Mode of application | No of RTI Application received | No. of RTI application | | | | No. of Pending Application |
|---------------------|--------------------------------|------------------------|----------------------|---------------------------------------|-----------------------|----------------------------|
| | | Rejected | Information provided | Transferred to other public authority | Returned to Applicant | |
| Hard Copy | 2 | - | 2 | - | - | NIL |
| Online | 7 | - | 7 | - | - | NIL |
| Total | 9 | - | 9 | - | - | NIL |

ANNUAL RETURN

A copy of the Annual Return required under section 92 of the Companies Act, 2013, would be placed at the website of the Company at www.nslindia.in.

Conservation of Energy and Technology Absorption

The company is conscious about the need for conservation of energy and this aspect is taken care of in consultation with its clients by advocating the maximum use of natural light, solar light and LED installations. The Company has not imported any technology during the year.

Foreign Exchange Earnings and Out-go

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

Foreign Exchange Earning: **Nil**

Foreign Exchange Outgo: **Nil**

PROGRESSIVE USE OF HINDI

The Company has been implementing the provisions of Government's Official Language Policy. Employees are encouraged to use Hindi in their day to day working.

SIGNIFICANT AND MATERIAL ORDERS

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

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the Financial Year 2021-22, no application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

ONE-TIME SETTLEMENT AND VALUATION

During the financial year 2021-22, no event has taken place that give rise to reporting of details w.r.t. difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions.



Reporting of frauds by Auditors

During the FY 2021-22, the Statutory Auditors has not reported any of the frauds to the Board under Section 143(12) of the Companies Act, 2013.

GENERAL

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

1. There was no issue of shares under ESOP/ESPS to the employees.
2. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.
3. None of the Director is receiving any remuneration, commission or sitting fee from the company.
4. As per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.
5. The Company is compliant of the Secretarial Standards issued by the ICSI from time to time.
6. No material change and commitment affected the financial position of the Company occurred after the end of the financial year to which this financial statement relate and upto the date of this report.
7. Application to Administrative ministry has been made vide letter dated 13th July 2020 for exemption of paying lower dividend (as prescribed in DPE Guidelines).
8. No disclosure or reporting is required in respect of the following items as there were not transactions on these items during the year under review:
 - i. Issue of equity shares with differential rights as to dividend, voting or otherwise.
 - ii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

ACKNOWLEDGEMENT

The Directors would like to express their sincere appreciation for the assistance and co-operation received from the Holding Company i.e. NBCC, the Government of India, State Governments, different Ministries particularly Administrative Ministry i.e. Ministry of Housing and Urban Affairs.

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

For and on behalf of Board of Directors

Sd/-

B.K. Sokhey

Chairperson

DIN: 06955670

Place: New Delhi

Date: 22.08.2022

ANNEXURE-I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

NBCC SERVICES LIMITED (NSL) (A Government of India Enterprises), a wholly owned subsidiary of NBCC, was established with the mandate of extending maintenance services to the clients. NSL has earned good reputation in the field of Post Construction Maintenance Services with quality, sustainable, innovative and cost-effective services to its clients, since its formation on 16.10.2014.

Highly experienced team of multi-talented and multi-skilled personnel drawn from the holding company are engaged in providing professional, technical and non-technical support and building maintenance services, interior & furnishing including renovation, refurbishing of old buildings to clients. The team looks after all areas of building viz. Mechanical, electrical and building structural systems. The maintenance team respond to building problems as need arises and perform routine maintenance to building systems for remedial measures besides carrying out preventive maintenance.

NSL is striving to maintain and achieve benchmarks in quality services towards total satisfaction of clients. NSL is also extending maintenance support to the Real Estate Projects completed by NBCC and delivered to its customers.

BUSINESS OPERATIONS

The business operations of the company are currently in two verticals viz.

1. Post Construction Maintenance

The nature of work involved in the maintenance includes Facility Management Service, Operation cum Maintenance of buildings including civil and plumbing works, Electrical, HVAC Works, DG Sets, Pumps Operation, Fire Fighting Works, Lift works, IT and Audio video and renovation, alteration, modification and modernization including ancillary works.

2. Renovation & Furnishing Works

All types of renovation, re-furbishing of old buildings and also interiors & furnishing of new Buildings.

MAIN OBJECTIVES

- Attain Global Standards in post construction business with professional outlook.
- To provide highly effective and efficient services to the clients.
- Speedy execution of maintenance work and timely completion of work.
- Cost Effective services to the client.
- Value for Money – Customer Delight.
- Explore new areas - diversification of work.
- Up gradation of skill and knowledge with the changing scenario to remain competitive.

From time to time NSL solicits business from Ministries, Govt. /Semi Govt. Departments, PSUs, Autonomous Bodies and currently Central/State Govt. Agencies avail its expertise for their maintenance works, and interior renovation, refurbishing of old buildings and also interiors and furnishing of new constructed buildings.



VISION

To be the best post construction business company known for its state of art quality at a bare minimum cost and immediate responsiveness.

MISSION

To be leading pioneer world Class Company attaining global standards in post construction business, offering quality, sustainable, innovative and cost-effective services.

FINANCIAL PERFORMANCE

NBCC Services Limited has posted a impressive Corporate Results during **financial year 2021-22**. The total income is **Rs. 12,173.30 lakh** with Net Profit of **Rs. 426.11 lakh**.

STRENGTH AND WEAKNESS

NSL has selected and posted professionally qualified, trained and experienced Engineers from NBCC having wide knowledge and expertise of various key areas of construction and post construction maintenance & Interior/renovation/refurbishment business.

OUTLOOK

The Indian construction sector has witnessed healthy order inflows over the past few years, supported by the increased pace of infrastructure project awards – particularly from the urban infrastructure segment. NSL always endeavors to attain global standards in post construction business with professional outlook. The company is committed towards improving its execution capabilities with the adoption of latest technologies. It has been a leader in the maintenance/ renovation and interior fit out sector thus far. NSL is continually working towards achieving client satisfaction by providing them the desired quality of services in cost-effective manner within the desired time period.

NSL is highly optimistic about the future business prospects and expects to widen the scope of Operation and maintenance and interior works from Residential/ Commercial/ Office complex to Health/ Educational/ Heritage/ Monuments/ Highways and to complete the assigned projects in an efficient manner. NSL is exploring business development in the sector of O&M of City/Town, sewerage/water system and rejuvenation of Lakes/ponds/parks.

ENVIRONMENTAL PROTECTION AND CONSERVATION, TECHNOLOGICAL CONSERVATION, RENEWABLE

ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION

FOREIGN EXCHANGE

Expenditure during 2021-22 was **Nil**.

DISCLOSURE OF ACCOUNTING TREATMENT

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

CAUTIONARY STATEMENT

All the statement and claims in the report regarding the projection, estimates, expectation may be forward looking based on the belief of the management of your Company. However results may vary due to various factors, like the change in the general economic and business conditions, inflation, change in government policy and regulations and other statutes and incidental factor. The Company, therefore cannot be held responsible in any way for such statement and it undertakes no obligation to publicly update to these to reflect subsequent events and consequences.



THDC India Limited, New Delhi



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is a process that aims to meet shareholders aspirations and societal expectations. It is a commitment that is backed by the fundamental belief of maximizing shareholders value, transparency in functioning, values and mutual trust amongst all the constituents of organization. Corporate Governance is a culture that guides the Board, management and employees to function towards the best interest of shareholders. It involves essentially a creative, generative and positive thinking activity that adds value to the various stakeholders that are served as end customers of the corporate entity.

NSL is committed to achieving highest level of transparency, openness and accountability and fairness in all areas of operation, meeting the aspirations of all its stakeholders with primary objective of enhancing shareholders value, timely and balanced disclosure of all material information to all the stakeholders and protection of their interest.

The Company has put in place a sound system of internal control to mitigate the risks and comply with the laws of land, rules & regulations in true letter and spirit with a view to provide oversight and guidance to management in strategy implementation. In our Company, Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency and growth as well as enhancing investor confidence.

Board of Directors

Composition of the Board

Presently, the Board comprises of three directors i.e. Smt. B.K. Sokhey, Chairperson, Shri M.B. Singhal and Shri Arun Kumar Sharma as Directors of the Company.

Shri Rakesh Gupta ceased to be Director of NSL on his superannuation on February 28, 2022.

Further, Shri Sanjay Kumar Gupta is CEO and Shri Mukesh Kumar Jain is CFO of the Company respectively.

The Company is managed by its Board of Directors, which formulates strategies, policies and reviews its performance periodically. Board of Directors oversees how the management serves and protects the long term interest of the stakeholders. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 Committees across all the Companies in which he is Director (as specified in DPE Guidelines). The necessary disclosures regarding other directorships have been made by the Directors.

Code of Conduct

As part of NSL's persisting endeavour to set high standard of conduct for its employees, it follows the "Code of Business Conduct and Ethics" was laid down by holding Company i.e. NBCC. The Senior Management of NSL is on secondment basis from holding company, i.e. NBCC. Hence, Code of Conduct applicable to NBCC is being followed.

All Board Members affirm compliances with the Code of Conduct annually. A declaration signed by the Chairman to this effect forms part of this report.

KEY MANAGERIAL PERSONNEL

1. Shri Sanjay Kumar Gupta, Chief Executive Officer (w.e.f. November 30, 2021)
2. Shri Novman Ahmed, Chief Executive Officer (till November 30, 2021)
3. Shri Mukesh Kumar Jain, Chief Financial Officer (w.e.f. from August 16, 2022)
4. Shri Amarnath Mourya, Chief Financial Officer (till August 16, 2022)

Equity Shares held by Directors:

Smt. B.K. Sokhey, Chairperson/Director of the Company hold 150 equity shares of the Company on behalf of NBCC (India) Limited as on March 31, 2022.

However, M. B. Singhal, Director of the Company hold 150 equity shares of the Company w.e.f. from August 01, 2022.

BOARD MEETINGS

The Board meets at regular intervals to discuss the physical and financial progress of the Company. Board Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors in time. The members of the Board have complete access to all information of the Company. CEO and CFO are special invitees to all Board meetings and other senior management personnel are also invited to the Board meetings on need basis to provide additional inputs on the items being discussed by the Board. The Board meets at least once in every quarter to review the quarterly results and additional Board meetings are convened as and when considered necessary by giving appropriate notice period along with agenda notes.

Selection of Agenda items for Board Meetings

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

- Annual operating plans of business and budgets and any update;
- Capital budgets and updates;
- Quarterly results of the Company and its operating divisions or business segment;
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, and any material effluent or pollution problems;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order,
- which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like implementation of Voluntary Retirement Scheme, etc;
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others;



Compliance

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

Number of Board Meetings

During the year 2021-22, total 07 (Seven) Board meetings were held, the details of the Board meetings are as under:

| S.No. | Date of Board Meeting | Board's Strength | No of directors present at the meeting |
|-------|-----------------------|------------------|--|
| 1 | May 30, 2021 | 3 | 3 |
| 2 | June 10, 2021 | 3 | 3 |
| 3 | August 06, 2021 | 3 | 3 |
| 4 | September 02, 2021 | 3 | 3 |
| 5 | November 02, 2021 | 3 | 3 |
| 6 | November 30, 2021 | 3 | 3 |
| 7 | February 04, 2022 | 3 | 3 |

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

| Name of Director | Board Meetings held during his/her duration (No) | Board Meetings attended (No) | Attendance at the last AGM | No. of other Directorships | Chairmanship/ membership of other Committees |
|--|--|------------------------------|----------------------------|----------------------------|--|
| Shri Neelesh Maneherlal Shah (till May 30, 2021) | 1 | 1 | - | - | - |
| Smt. B.K. Sokhey | 6 | 6 | Present | 2 | 1 |
| Shri Rakesh Gupta (Ceased as Director w.e.f. Feb 28, 2022) | 7 | 7 | Present | - | - |
| Shri M.B. Singhal | 7 | 7 | Present | 2 | - |

- Only membership in Audit Committee and Stakeholders' Relationship Committee of Public Companies are taken into account.
- Directors are not per se related to each other.
- Directors do not have any pecuniary relationship or transaction with the Company.
- None of the Director is a member of more than 10 Committees or Chairman of more than 5 Committees across all listed Companies in which she/he is a Director.

BOARD LEVEL COMMITTEES

Procedure at Committee meetings

The procedure followed for Board meetings is also applicable to the Committee meeting. Minutes of all the Committee meetings are placed before the Board of Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Composition As on March 2022 the Committee comprises of Smt. B.K. Sokhey as Chairperson and Shri MB Singhal and Shri Rakesh Gupta (till February 28, 2022) as members of the Committee.

Number of Meeting

During the year 2021-22, Two (2) meetings were held the details of the CSR Committee meetings are as under:

| S.No. | Date of Meeting | Committee's Strength | No of directors present at the meeting |
|-------|-------------------|----------------------|--|
| 1 | November 02, 2021 | 3 | 3 |
| 2 | February 04, 2022 | 3 | 3 |

Attendance during the Financial Year 2021-22

| Name of the Director | Designation | No. of meetings held during his/ her tenure | No. of committee meeting attended |
|---|-------------|---|-----------------------------------|
| Smt. B.K. Sokhey | Chairperson | 2 | 2 |
| Shri Neelesh M Shah (Till May 30,2021) | Member | - | - |
| Shri M.B. Singhal | Member | 2 | 2 |
| Shri Rakesh Gupta (Till February 28, 2022) | Member | 2 | 2 |

AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE

Provisions of Companies Act, 2013 with respect to Audit Committee and Nomination & Remuneration Committee are not applicable on the Company. However, according to DPE Guidelines issued by the Ministry of Heavy Industries and Public Enterprises, Company is not required to constitute the said Committees.

GENERAL BODY MEETING

Date, time and location where the last three annual general meeting were held, are as under:



| Year | Location | Date | Time | Special Resolution, if any |
|------|---|--------------------|----------|----------------------------|
| 2021 | Through Video Conferencing at NBCC Bhawan, Lodhi Road, New Delhi – 110003 | September 28, 2021 | 12:45 PM | NO |
| 2020 | Through Video Conferencing at NBCC Bhawan, Lodhi Road, New Delhi – 110003 | November 24, 2020 | 12:30 PM | NO |
| 2019 | NBCC Bhawan, 1st Floor, Lodhi Road, New Delhi-110003 | September 09, 2019 | 10:00 AM | NO |

Means of Communication

The Company communicates with its shareholders through its Annual Report, General Meeting and disclosure through web site. Information and latest updates and announcements made by the Company can be accessed at Company's website: www.nslindia.in.

Listing on Stock Exchange

The shares of the Company are not listed at any Stock Exchange.

Shareholding Pattern as on March 31, 2022

| S.No | Name of the Shareholder | No. of Shares |
|------|--|---------------|
| 1 | NBCC (India) Limited Through its Nominee | 29,99,100 |
| 2 | Smt. Baldev Kaur Sokhey* | 150 |
| 3 | Shri Yogesh Sharma* | 150 |
| 4 | Smt. A. Sabeena* | 150 |
| 5 | Shri Rakesh Gupta* | 150 |
| 6 | Shri Rakesh Garg* | 150 |
| 7 | Shri Manas Kaviraj* | 150 |

*Holding shares on behalf of NBCC (India) Limited.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion Date and likely impact on equity

No GDRs/ADRs/Warrants or any Convertible instruments have been issued by the Company.

UNCLAIMED DIVIDENDS

The amount of dividend remaining unpaid/ unclaimed for seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As of now, no amount is unpaid as dividend for any previous years.

Address for correspondence

NBCC Centre, Ground Floor Plot No.2, Community Center Okhla Phase -1, Delhi -110020

Certificate on Corporate Governance

The Certificate on Corporate Governance is being enclosed as Annexure-A to the Directors' Report.

COMPLIANCES

No penalties/strictures were imposed on the Company by any other statutory authority on any matter related to guidelines issued by the Government.

DISCLOSURES

- Details of related party transactions are included in the Notes to the Accounts.
- NSL does not have any Subsidiary Company.
- The Chairman of the Company is non Executive Director and no person has been appointed as Independent Director.
- NSL comprises the employees of NBCC who have been deputed on secondment basis by NBCC.
- Training policy for Directors as applicable to NBCC being followed by NSL.
- The Company is complying with all the requirements as per guidelines on Corporate Governance for CPSEs issued by the DPE except the the composition of Board in respect of appointment of Independent Director.
- The Details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment is provided in the Directors' Report of the Company.
- During the year, no Presidential Directives was issued to the Company.
- Being a wholly owned subsidiary of NBCC the Policies, Guidelines, etc. of NBCC are applicable to NSL till their own policies are formulated and adopted.
- M/s. Arun Malhotra & Associates, Chartered Accountants (Firm Registration No. 002563N) have been appointed as the statutory auditor of the company. The particulars of payments of statutory auditor for the financial year 2021-22 are given below:

| Particulars | Amount (Rs. in Lakh) |
|---|----------------------|
| Audit Fee | 1.82 |
| Tax Audit | 0.54 |
| Quarterly Limited Review | 1.63 |
| Reimbursement of expenses and other professional fees | 0.87 |
| Total | 4.86 |



- Details of Administrative and office expenses as a percentage of total expenses vis-a-vis financial expenses and reason for increase:

| S. No. | Particulars | FY 2020-21 | FY 2021-22 |
|--------|--|------------|------------|
| 1. | Administrative and office expenses (A) | 213.10 | 503.55 |
| 2. | Total Expenses (B) | 13,694.56 | 11,561.15 |
| 3. | Administrative and office expenses as a percentage of total expenses (C=A/B) | 1.56 % | 4.36 % |
| 4. | Financial expenses(D) | - | - |
| 5. | Financial expenses as a percentage of total expenses(E=D/B) | - | - |

Chief Executive Officer Declaration

I, Sanjay Kumar Gupta, CEO of NBCC Services Limited, do hereby declare that all the Board members and senior management personnel have affirmed compliance with the code of conduct of the Company for the financial year ended 31st March, 2022.

Place: New Delhi
Date: August 22, 2022

Sd/-
Sanjay Kumar Gupta
Chief Executive Officer

ANNEXURE-A

**To,
The Members,
NBCC Services Limited
New Delhi**

We have examined the compliances of conditions of Corporate Governance by **NBCC Services Limited** ("the Company") for the financial year ended 31st March, 2022 as stipulated 8.2.1 of guidelines issues by Department of Public Enterprise (DPE) and Ministry of Heavy Industries and Public Enterprises, Government of India.

This compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedure and implementation thereof, adopted by the company, for ensuring the compliance with the conditions of corporate governance. It's neither an audit nor an expression of opinion of the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company is in process to comply with conditions of Corporate Governance as stipulated in DPE guidelines on Corporate Governance for CPSE, However, We report that:

- i) The company is yet to constitute an Audit & Remuneration Committee of the board as required in DPE guidelines.
- ii) The Company is yet to appoint Independent Directors on the Board as required in DPE Guidelines.
- iii) Being a wholly owned subsidiary of NBCC Ltd., the policies, guidelines, etc of NBCC are being followed by NBCC Services Limited till their own policies are formulated and adopted.

**Place: Faridabad
Date: August 22, 2022
UDIN: F004103D000823867**

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



(Signature)

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



MANAGEMENT'S REPLY TO AUDITORS' REPORT ON CORPORATE GOVERNANCE (FY 2021-22)

| S.No. | AUDITOR'S COMMENTS | MANAGEMENT'S REPLY |
|-------|---|--|
| 1. | The company is yet to constitute an Audit & Remuneration Committee of the board as required in DPE guidelines | <p>Pursuant to the notification from Ministry of Corporate Affairs (MCA) dated July 05, 2017, exemption for appointment of Independent Directors provided to the unlisted wholly owned Subsidiary companies. Further pursuant to the Companies Act, 2013 the constitution of Audit and Nomination & Remuneration Committee are as follows:</p> <p>Audit Committee (Section 177): The Audit Committee shall consist of minimum three directors with Independent directors forming majority.</p> <p>Nomination and Remuneration Committee: Shall constitute with three or more non-executive Directors out of which not less than one-half shall be independent Directors.</p> <p>As NBCC Services Limited (NSL) being a wholly owned subsidiary of NBCC (India) limited it being exempted from appointment of Independent Directors. Consequently, NSL have been exempted</p> |
| 2. | The Company is yet to appoint Independent Directors on the Board as required in DPE Guidelines | |
| 3. | Being a wholly owned subsidiary of NBCC Ltd., the policies, guidelines, etc of NBCC are being followed by NSL till their own policies are formulated and adopted. | In NBCC Services Limited (NSL) all manpower were posted on secondment basis by holding company i.e. NBCC, accordingly HR policies of holding company was adapted. However, other policies & guidelines will be developed. |

For and on behalf of Board of Directors

Sd/-

B.K. Sokhey

Chairperson

DIN 06955670

Place: New Delhi

Date: August 22, 2022

CEO/CFO Certification

To
Board of Directors
NBCC Services Limited

We, Shri Sanjay Kumar Gupta, Chief Executive Officer and Shri Amarnath Mourya, Chief Financial Officer do hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year 2021-22 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal control.
- d. We have indicated to the auditors and the audit committee:
 - i. That there are no Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. There are no instances of significant fraud of which we have become aware.

Sd/-
Shri Sanjay Kumar Gupta
Chief Executive Officer

Sd/-
Shri Amarnath Mourya
Chief Financial Officer

Place: New Delhi
Date: May 11, 2022



Annexure-III

AOC-2

Particulars of contracts / arrangements made with related party

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

Details of contracts / arrangements or transactions at arm's length basis for the FY 2021-22

| Name of Related Party and Nature of Contract | Relationship | Duration of Contract | Salient Features | Amount (Rs in Lakh) Excluding GST |
|--|------------------------|------------------------------|--------------------------|-----------------------------------|
| NBCC (INDIA) LIMITED (NBCC) | Holding Company | As per Board approval | Services Rendered | 2,306.58 |
| | | | Services received | 81.06 |

Place: New Delhi
Date: August 22, 2022

Sd/-
Smt. B.K. Sokhey
Chairperson
DIN-06955670



Coal India Limited Kidwai Nagar, New Delhi

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013, READ WITH THE (CSR POLICY) RULES, 2014

1. Brief outline on CSR Policy of the Company.

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

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

2. Composition of CSR Committee:

In compliance with the provisions of Section 135(1) of the Companies Act, 2013, as on 31.03.2022, the CSR Committee of Board Comprises of:

| S No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|-------|--|--------------------------------------|--|--|
| 1. | Smt B.K. Sokhey | Chairperson | 2 | 2 |
| 2. | Shri. M.B. Singhal | Member | 2 | 2 |
| 3. | Shri Rakesh Gupta (Till 28.02.2022) | Member | 2 | 2 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. **www.nslindia.in**
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : **NA**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

| S No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set-off for the financial year, if any (in Rs) |
|-------|----------------|---|--|
| NA | | | |



6. Average net profit of the company as per section 135(5) : **Rs. 1010.89 lacs**
7. (a) Two percent of average net profit of the company as per section 135(5) : **Rs. 20.22 lacs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**
- (c) Amount required to be set off for the financial year, if any : **NIL**
- (d) Total CSR obligation for the financial year (7a+7b- 7c) : **Rs. 20.22 lacs**
8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.) | | | | |
|---|---|------------------|--|-----------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second provision to section 135 (5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 20.22 | - | - | PM Cares Funds | 7.22 Lacs | 15.02.2022 |

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

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

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---------|---|---|---------------------|-------------------------|----------|---------------------------------------|---|---|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project (in Rs.) | Mode of implementation- Direct (Yes/No) | Mode of implementation- Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Contribution to the PM CARES Fund in wake of COVID-19 | Schedule-VII Item No. (viii) | No | NA | NA | 7.22 Lakh | Yes | NA | NA |
| 2. | Contribution to Kalinga Institute of Social Sciences-KISS | Schedule-VII Item No. (viii) | Yes | Odisha | Khordha | 13.00 Lakh | Yes | NA | NA |
| | | | | Total | | 20.22 Lakh | | | |

- (d) Amount spent in Administrative Overheads : **NIL**
- (e) Amount spent on Impact Assessment, if applicable : **NIL**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Rs.20.22 Lacs**

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (Rs. In Lakh) |
|---------|---|----------------------|
| 1. | Two percent of average net profit of the company as per section 135(5) | 20.22 Lacs |
| 2. | Total amount spent for the Financial Year | 20.22 Lacs |
| 3. | Excess amount spent for the financial year [(ii)-(i)] | 0.00 |
| 4. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0.00 |
| 5. | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.00 |

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

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset- wise details) : **NIL**

Assets created or acquired as on 31.03.2022

(a) Date of creation or acquisition of the capital asset(s) : **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset : **NA**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc : **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : **NA**

11. Specify the reason(s), if the company has failed to spend two percent(2%) of the average net profit as per section 135(5) : **NA**

Sd/-
Sanjay Kumar Gupta
(Chief Executive Officer)

Sd/-
B.K. Sokhey
(Chairperson CSR Committee)

NA/-
under clause (d) of
sub-section (1) of section 380 of the Act]
(Where ever applicable)



Dry Ration Distribution to KISS Students



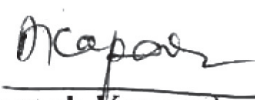
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NBCC SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of NBCC Services Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 21 July 2022 which supersedes their earlier Audit Report dated 11 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NBCC Services Limited for the year ended 31 March 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision(s) made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller and Auditor General of India**


(Deepak Kapoor)

**Director General of Audit (Infrastructure)
New Delhi**

**Place: New Delhi
Dated: 26 July 2022**

FINANCIAL STATEMENT





INDEPENDENT AUDITOR'S REPORT

This revised Independent Auditor's Report is being issued in supersession of our earlier independent Auditors report dated 11th May 2022. Revised report is being issued in view of the observation pointed out by C & AG of India in our earlier report. Further, we confirmed that there is no change in the opinion as expressed earlier and also none of the figures have undergone any change in the standalone financial statements of the company as at 31st March 2022.

TO THE MEMBERS OF NBCC SERVICES LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of NBCC Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---------|---|--|
| 1 | <i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</i> | <p><u>Principal Audit Procedures</u></p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> |
| | The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. | <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of the controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. |



| | | |
|---|---|--|
| 2 | <p><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p> | <p><u>Principal Audit Procedures</u></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts. |
|---|---|--|

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) Being a Government company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provision of Section 164 (2) of the Companies Act is not applicable to the company.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity (ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v) The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
 3. We enclose our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the "**Annexure C**" on the directions and sub-directions issued by the Comptroller and Auditor General of India.
 4. In terms of the observations made by the C & AG of India, on our earlier report, the details of the revisions made to the Auditor report are detailed in "**Annexure D**"

For Arun Malhotra & Associates
Chartered Accountants
(Firm's Registration No. 002563N)

Sd/-

SALIL BHATIA
Partner

New Delhi

Date: 21st July 2022

(M.No. 509271)

UDIN : 22509271ANJDCZ4403

**ANNEXURE "A"****TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NBCC Services Limited of even date)

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

We have audited the internal financial controls over financial reporting of **NBCC SERVICES LIMITED** ("the Company") as of March 31, 2022 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 Board of Directors of the Company 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under The Companies Act, 2013.

Auditor's Responsibility

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

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

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

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.

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, to the best of our information and according to the explanations given to us, 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, 2022, 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 Arun Malhotra & Associates
Chartered Accountants
(Firm's Registration No. 002563N)

sd/-

SALIL BHATIA
Partner

(M.No. 509271)

UDIN : 22509271ANJDCZ4403

New Delhi
Date: 21st July, 2022



ANNEXURE 'B'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NBCC Services Limited of even date)

i. In respect of the Company's Property, Plant and Equipment, and Intangible Asset:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records with regard to intangible assets.
- (c) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (d) The title deeds of the immovable properties, as disclosed in Note 2 on Property, Plant and Equipment to the financial statements, are pending execution. Hence the said immovable properties amounting to Rs. 1910.60 Lakhs are not held in the name of the Company as at the balance sheet date. Following immovable properties are not held in the name of the Company:

| Sr. No. | Description of Property | Gross carrying value | Held in Name of | Whether promoter, director or their relative or employee | Property held since which date | Reason for not being held in name of company (also indicate if in dispute) |
|---------|-------------------------|----------------------|-------------------|--|--------------------------------|--|
| 1 | Land and building | Rs. 1910.60 lakh | NBCC (India) Ltd. | Yes, Promoter | 30.09.2018 | Pending with NBCC (India) Ltd. |

- (e) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(e) of the Order are not applicable to the Company.
 - (f) No proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made under. Accordingly, the provisions stated in paragraph 3(i)(f) of the Order are not applicable to the Company.
- ii. The Company is in the business of providing project management and supervision services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
 - iii. According the information and explanations given to us, the Company has not granted, secured loans to companies, firms, LLP's or other parties covered in the register maintained under section 189 of the Companies Act, 2013, and as such provisions of Para 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order regarding granting of loans are not attracted to the company.
 - iv. In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Act, with respect to the loans, making investments and providing guarantees and securities, are not attracted to the company.

- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The employees of the Company are on secondment basis from its holding company i.e. NBCC (India) Limited. As explained to us, the holding company is regular in depositing undisputed statutory dues, including Provident Fund with appropriate authority. According to information and explanations given to us, and on the basis of our examination of the records of the company, the company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax, Labour Welfare Cess, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the company did not have any dues on account Employees State Insurance and Duties of Excise.
- (b) According to information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable except Tax Deducted at Source details as under :-

| S. No. | Assessment Year | Amount |
|--------|-----------------|----------------|
| 1. | 2015-16 | 1,930/- |
| 2. | 2018-19 | 3,790/- |
| | TOTAL | 5,720/- |

- (c) According to information and explanation given to us, that there were no dues of Income Tax and Goods & Service Tax which have not been deposited by the company on account of disputes.
- viii. There are no transactions which have not been accounted for in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (x) of the Order is not applicable to the Company.
- xi. To the best of our knowledge and according to the information and explanations given to us,
- a) No fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub section (12) of section 143 of Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules 2014, with the Central Government.
- c) As represented to us by the management, no whistle-blower complaints were received by the Company during the course of audit. Accordingly, the provisions stated in paragraph 3(xi)(c) of the Order is not applicable to company.



- xii. The company is a Government company and such in pursuant to the Notification No. GSR 463(E) dated 05th June 2015 issued by Ministry of Corporate of Affairs, Government of India, the provisions of Section 197 of the Act is not applicable to the company.
- xiii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xv. a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
b) We have considered internal audit reports issued by internal auditors during our audit.
- xvi. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company
- xvii. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xviii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xix. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- xx. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xxi. The provisions of section 135 of the Act are applicable to the Company. The total amount is spent as per the Schedule VII to the Companies Act, 2013, leading to no unspent amount. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

For Arun Malhotra & Associates
Chartered Accountants
(Firm's Registration No.002563N)

sd/-

SALIL BHATIA
Partner

New Delhi

(M.No. 509271)

Date: 21st July, 2022

UDIN : 22509271ANJDCZ4403

ANNEXURE 'C'

TO THE INDEPENDENT AUDITOR'S REPORT

Directions and sub directions indicating the areas to be examined by the Statutory Auditors during the course of audit of Annual accounts of the NBCC Services Limited for the years 2021-2022 issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act 2013

| SI No. | Directions / Sub-Directions | Action Taken | Impact on Financial Statements |
|--------|---|--|--------------------------------|
| A | Direction | | |
| 1. | Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications if any, may be stated. | Yes, the company has ERP system in place to record all accounting transactions. The company has adequate internal control systems to process the accounting transactions before recording. | NIL |
| 2. | Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the Company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? | No loan taken by the Company and hence No action required to be taken. | NIL |
| 3. | Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation. | No funds (grants/subsidy etc.) received from Central / State Government or its agencies and hence No action required to be taken. | NIL |

For Arun Malhotra & Associates
Chartered Accountants
(Firm's Registration No.002563N)

Sd/-
SALIL BHATIA
Partner
(M.No.509271)
UDIN : 22509271ANJDCZ4403

New Delhi
Date: 21st July, 2022



ANNEXURE 'D'

TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Paragraph 4 of the Auditor's Report of even date to the members of NBCC Services Limited on the Ind AS Financial Statements for the year ended 31st March 2022, we report that, we have revised the following clause of our independent Audit Report.

| S. No. | Original Independent Audit Report dated 11 th May 2022 having UDIN 22509271AIVMZW4554 | Original Independent Audit Report dated 21 st July 2022 having UDIN 22509271ANJDCZ4403 |
|--------|--|--|
| 1. | The introductory paragraph of the Independent Auditor's Report has not included the words 'Notes to the financial statements' while acknowledging the audit of accompanying financial statements of NBCC Services Limited. | The introductory paragraph of the Independent Auditor's Report has included the words 'Notes to the financial statements' while acknowledging the audit of accompanying financial statements of NBCC Services Limited. |
| 2. | The Report on Other Legal & Regulatory Requirements states that statement on Companies (Auditor's Report) Order, 2016 has been included in Annexure B to the Report. The year 2016 was mentioned instead of 2020, | The Report on Other Legal & Regulatory Requirements states that statement on Companies (Auditor's Report) Order, 2020 has been included in Annexure B to the Report. The clerical error has been suitably corrected. |

For Arun Malhotra & Associates
Chartered Accountants
(Firm's Registration No.002563N)

Sd/-
SALIL BHATIA
Partner

(M.No.509271)

UDIN : 22509271ANJDCZ4403

New Delhi
Date: 21st July 2022

Balance Sheet as at March 31, 2022

(₹ in lakhs)

| Particulars | Note No. | As at March 31, 2022 (Audited) | As at March 31, 2021 (Audited) |
|---------------------------------------|----------|-----------------------------------|-----------------------------------|
| I ASSETS | | | |
| 1. Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 2 | 1,854.59 | 1,891.36 |
| (b) Other Intangible Assets | 2 | - | - |
| 2. Deferred Tax Assets (Net) | 3 | 156.03 | 86.55 |
| 3. Non Current Tax Assets (Net) | 4 | - | 73.25 |
| | | 2,010.63 | 2,051.16 |
| 4. Current Assets | | | |
| (a) Financial Assets | | | |
| i) Trade Receivables | 5 | 3,711.40 | 4,093.23 |
| ii) Cash and Cash Equivalents | 6 | 4,186.38 | 2,514.87 |
| iii) Other Bank Balances | 7 | 398.21 | 541.36 |
| iv) Other Financial Assets | 8 | 0.25 | 120.10 |
| (b) Current Tax Assets (Net) | 9 | 71.46 | - |
| (c) Other Current Assets | 10 | 661.58 | 600.91 |
| | | 9,029.26 | 7,870.47 |
| TOTAL ASSETS | | 11,039.89 | 9,921.63 |
| II. EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| a) Equity Share capital | 11 | 300.00 | 300.00 |
| b) Other Equity | 12 | 2,996.52 | 2,845.40 |
| Total equity | | 3,296.52 | 3,145.40 |
| 2 Liabilities | | | |
| Non-Current Liabilities | | | |
| Lease Liabilities | 13A | - | - |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Lease Liabilities | 13B | - | - |
| (ii) Trade Payables | | | |
| Due to MSMEs | 13 | - | 0.49 |
| Due to Others | 13 | 4,884.48 | 4,530.89 |
| (iii) Other Financial Liabilities | 14 | 1,196.54 | 1,084.51 |
| (b) Other Current Liabilities | 15 | 1,662.36 | 1,056.96 |
| (c) Provisions | 16 | - | - |
| (d) Current Tax Liabilities (Net) | 16A | - | 103.38 |
| | | 7,743.37 | 6,776.23 |
| TOTAL EQUITY & LIABILITIES | | 11,039.89 | 9,921.63 |

Significant Accounting Policies & Notes on Financial Statements 1 to 42

For and on behalf of the Board of Directors

Sd/-
B.K. Sokhey
(Chairperson)
DIN:06955670

Sd/-
Arun Kumar Sharma
Director)
DIN:09375700

Sd/-
M.B. Singhal
(Director)
DIN:07282642

Sd/-
(Sanjay Kumar Gupta)
CEO

Sd/-
(Amarnath Mourya)
CFO

As per our Review Report attached
For Arun Malhotra & Associates
Chartered Accountants
(FRN: 002563N)

Sd/-
(SALIL BHATIA)
PARTNER
Membership No. 509271

Place: New Delhi
Date : 11/05/2022



Statement of Profit and Loss for the year ended on March 31, 2022

(₹ in lakhs)

| Particulars | | Note No. | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|-------------|--|----------|--|--|
| I. | Revenue From Operations | | | |
| | Value of Services | 17 | 11,885.58 | 14,684.00 |
| | Other Operating Revenue | 18 | 243.08 | 169.05 |
| II. | Other Income | 19 | 44.65 | 61.58 |
| III. | Total Income (I + II) | | 12,173.30 | 14,914.63 |
| IV. | Expenses: | | | |
| | Cost of Work & Consultancy Expenses | 20 | 10,115.31 | 12,568.43 |
| | Employee Benefits Expense | 21 | 854.63 | 802.63 |
| | Depreciation and Amortisation Expense | 2 | 38.75 | 37.22 |
| | Other Expenses | 22 | 464.80 | 175.88 |
| | Write Offs | 25 | 87.65 | 110.40 |
| | Total Expenses (IV) | | 11,561.15 | 13,694.56 |
| V. | Profit before Exceptional Items and Tax (III-IV) | | 612.16 | 1,220.07 |
| VI. | Exceptional Items | | - | - |
| VII. | Profit before Tax (V + VI) | | 612.16 | 1,220.07 |
| VIII. | Tax Expense: | | | |
| | (1) Current Tax | 24 | 229.38 | 306.98 |
| | (2) Deferred Tax | 24 | (69.48) | 9.59 |
| | (3) Provision For earlier Year Written Back | 24 | 26.15 | (51.72) |
| IX. | Profit / Loss for the period from continuing operations (VII-VIII) | | 426.11 | 955.22 |
| X. | Profit / (Loss) for the discontinued operations | | - | - |
| XI. | Tax expenses of discontinued operations | | - | - |
| XII. | Profit / (Loss) for the discontinued operations (after tax) (X-XI) | | - | - |
| XIII. | Profit / (Loss) for the period (IX-XII) | | 426.11 | 955.22 |
| XIV. | Other Comprehensive income | | | |
| | A (i) Items that will not be reclassified into profit/loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect | | - | - |
| | B (i) Items that will be reclassified into profit/loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit/loss | | - | - |
| XV. | Total comprehensive income for the period (XIII-XIV) | | 426.11 | 955.22 |
| XVI. | Earnings per Share (Face value of Rs. 10/- per Equity Share) | 26 | | |
| | (1) Basic (in Rs.) | | 14.20 | 31.84 |
| | (2) Diluted (in Rs.) | | 14.20 | 31.84 |

Significant Accounting Policies & Notes on Financial Statements 1 to 42

For and on behalf of the Board of Directors

Sd/-
B.K. Sokhey
(Chairperson)
DIN:06955670

Sd/-
Arun Kumar Sharma
Director)
DIN:09375700

Sd/-
M.B. Singhal
(Director)
DIN:07282642

Sd/-
(Sanjay Kumar Gupta)
CEO

Sd/-
(Amarnath Mourya)
CFO

**As per our Review Report attached
For Arun Malhotra & Associates**
Chartered Accountants
(FRN: 002563N)

Sd/-
(SALIL BHATIA)
PARTNER
Membership No. 509271

Place: New Delhi
Date : 11/05/2022

Cash Flow Statement For the year ended on March 31, 2022

(₹ in lakhs)

| Particular | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|--|--|
| A. Cash flows from operating activities | | |
| Net profit before tax and extraordinary items | 612.16 | 1220.07 |
| Adjustment for: | | |
| Depreciation | 38.75 | 37.22 |
| Dividend | | |
| Interest Received | (44.65) | (61.58) |
| Operating Profit before Working Capital Changes | 606.27 | 1195.71 |
| Adjustment for: | | |
| Decrease/(Increase) in Trade receivables | 381.83 | (905.11) |
| Decrease/(Increase) in Tax Assets (Net) | (164.90) | 0.00 |
| Decrease/(Increase) in Other Financial Assets | 119.85 | (74.58) |
| Decrease/(Increase) in Other Current Assets | (60.67) | (70.25) |
| (Decrease) /Increase in Trade payables | 353.10 | 1579.11 |
| (Decrease) /Increase in Other financial liabilities (Current) | 112.03 | 30.95 |
| (Decrease) /Increase in Current Tax Liabilities (Net) | (103.38) | 0.00 |
| (Decrease) /Increase in Provisions (Current) | 0.00 | (22.17) |
| (Decrease) /Increase in Other Current Liabilities | 605.40 | 160.63 |
| Cash generated from Operations before Extra Ordinary Items | 1849.52 | 1894.29 |
| Extraordinary Items | 0.00 | 0.00 |
| Direct Taxes Paid | (85.00) | (203.73) |
| Net Cash from Operating Activities (A) | 1764.52 | 1690.55 |
| B. Cash Flows from Investing Activities: | | |
| Purchases of Fixed Assets | (1.98) | (0.20) |
| Capital Advance for Property, Plant And Equipment. | 0.00 | 0.00 |
| Fixed deposits placed with Banks having original maturity of more than 3 months | 118.92 | (158.25) |
| Interest Accrued on Fixed Deposits | 24.23 | (14.50) |
| Interest Received (Net of Tax Deducted at Source) | 40.81 | 61.58 |
| Net Cash from Investing Activities: (B) | 181.99 | (111.36) |
| C. Cash Flows from Financing Activities: | | |
| Dividend on Equity Shares paid | (275.00) | (140.00) |
| Net Cash from Financing Activities (C) | (275.00) | (140.00) |
| Net Increase in Cash and Cash Equivalent (A) + (B) + (C) | 1671.51 | 1439.19 |
| Cash and Cash Equivalents - Opening | 2514.87 | 1075.69 |
| Cash and Cash Equivalents - Closing * | 4186.38 | 2514.87 |
| * Cash and Cash Equivalents Includes: | | |
| a) Cash in Hand & Stamp in Hand | 0.00 | 0.00 |
| b) Remittances in Transit / Cheques in Hand | 0.00 | 21.34 |
| c) Balances / Fixed Deposits/Call Deposits with Banks | 4186.38 | 2493.53 |
| d) Interest Accrued in Flexi Deposits | 0.00 | 0.00 |
| e) Balances with Bank in Unclaimed Dividend Account | 0.00 | 0.00 |
| | 4186.38 | 2514.87 |

(ii) Previous year figures have been regrouped and/or reclassified wherever necessary to conform to those of the current year grouping (iii) Figures in brackets indicate cash outgo

For and on behalf of the Board of Directors

Sd/-
B.K. Sokhey
(Chairperson)
DIN:06955670

Sd/-
Arun Kumar Sharma
(Director)
DIN:09375700

Sd/-
M.B. Singhal
(Director)
DIN:07282642

Sd/-
(Sanjay Kumar Gupta)
CEO

Sd/-
(Amarnath Mourya)
CFO

**As per our Review Report attached
For Arun Malhotra & Associates**
Chartered Accountants
(FRN: 002563N)

Sd/-
(SALIL BHATIA)
PARTNER

Membership No. 509271

Place: New Delhi
Date : 11/05/2022



Statement of changes in Equity as at March 31, 2022

Equity Share Capital

(₹ in lakhs)

| Equity Share Capital | Balance at the beginning of the reporting period | Changes in equity share capital during the year | Balance at the end of reporting period |
|------------------------------|--|---|--|
| Balance as at March 31, 2021 | 200.00 | 100.00 | 300.00 |
| Balance as at March 31, 2022 | 300.00 | - | 300.00 |

Other Equity

(₹ in lakhs)

| Particulars | Reserves and Surplus | | | | Other Comprehensive Income (OCI) | | Total Other Equity |
|--|----------------------|----------------------------|-----------------|-------------------|--|--|--------------------|
| | Capital Reserve | Capital Redemption Reserve | General Reserve | Retained Earnings | Remeasurement of Defined Benefit Plans | Exchange difference on translation of Foreign Operations | |
| Balance as at April 1, 2020 | - | - | - | 2,130.18 | - | - | 2,130.18 |
| Profit for the period | - | - | - | 955.22 | - | - | 955.22 |
| Other Comprehensive Income (OCI) | - | - | - | - | - | - | - |
| Income Tax on Items of OCI | - | - | - | - | - | - | - |
| Dividend Paid incl DDT | - | - | - | (140.00) | - | - | (140.00) |
| Transfer from retained earnings (Issue Equity Bonus share) | - | - | - | (100.00) | - | - | (100.00) |
| Balance as at March 31, 2021 | - | - | - | 2,845.40 | - | - | 2,845.40 |
| Profit for the period | - | - | - | 426.11 | - | - | 426.11 |
| Other Comprehensive Income (OCI) | - | - | - | - | - | - | - |
| Income Tax on Items of OCI | - | - | - | - | - | - | - |
| Dividend paid | - | - | - | (275.00) | - | - | (275.00) |
| Balance as at March 31, 2022 | - | - | - | 2,996.53 | - | - | 2,996.53 |

For and on behalf of the Board of Directors

Sd/-
B.K. Sokhey
(Chairperson)
DIN:06955670

Sd/-
Arun Kumar Sharma
(Director)
DIN:09375700

Sd/-
M.B. Singhal
(Director)
DIN:07282642

Sd/-
(Sanjay Kumar Gupta)
CEO

Sd/-
(Amarnath Mourya)
CFO

As per our Review Report attached
For Arun Malhotra & Associates
Chartered Accountants
(FRN: 002563N)

Sd/-
(SALIL BHATIA)
PARTNER
Membership No. 509271

Place: New Delhi
Date : 11/05/2022

Note 1

Significant Accounting Policies

1. NATURE OF PRINCIPAL ACTIVITIES

NBCC Services Limited (referred to as “NSL” or “the Company”) is wholly Subsidiary of NBCC (India) Limited. The company engaged in the business of project management and supervision services.

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

The Company’s registered office is situated at New Delhi, India. The shares of the Company are held by NBCC (India) Limited which is a listed company.

The financial statements of the Company have been prepared in accordance with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Company has uniformly applied the accounting policies during the period presented. Unless otherwise stated, all amounts are stated in Lakhs of Rupees.

The financial statements for the year ended 31st March 2022 were authorized and approved for issue by the Board of Directors on 11.05.2022.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared using the accounting policies and measurement basis.

4. OVERALL CONSIDERATIONS

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect as at 31 March 2022, as summarised below:

4.1 REVENUE RECOGNITION

The Company derives revenues primarily from project management and supervision services. Project Management includes planning, designing and construction of Interior (Fit Out) work, maintenance and facility management works, ratification of defects during defect liability period etc. (“together called as Project Management and supervision related services”).

Revenue is recognized to the extent that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the transaction price/fair value of the consideration received or receivables, excluding applicable taxes or duties collected on behalf of the government and reduced by any rebates, trade discount etc.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or service to a customer.

Project Management and Supervision services

In case of contracts which are in nature of cost plus contracts/fixed contracts, revenue is recognised on the basis of percentage completion method and the consideration is to be recognised at transaction price/fair value.



For Project Management and supervision related services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.

Revenue includes :

1. Work done for which only letters of intent have been received, however, formal contracts / agreements are in the process of execution.
2. Work executed and measured by the Company pending certification by the client.
3. Extra / Substituted items and the Claims lodged against clients to the extent considered realizable.
4. Amount retained by clients which is released after commissioning of the project.

Interest and other income

Interest income is accounted for on an accrual basis using the effective interest rate method. Interest income on financial assistance/mobilisation advances given to contractors recoverable in short term is recognised using simple interest method which approximates the effective interest rate. Other income is recognised when amount and collectability is certain.

4.2 INTANGIBLE ASSETS

Recognition

Intangible assets are initially measured at cost of acquisition thereof. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (Amortisation)

Amortisation of Intangible assets is charged on straight line method and rate of the amortisation is arrived at with reference to the useful life of the assets evaluated by the Management in line with the Indian Accounting Standard 38.

4.3 PROPERTY, PLANT AND EQUIPMENT

Recognition

Properties, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (depreciation)

Depreciation on property, plant and equipment is charged on straight line method with reference to the useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Property, plant and equipment individually costing upto INR 10, 000/- are fully depreciated in the year of acquisition.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The following useful lives are applied.

| Asset Category | Estimated Useful Life |
|---|-----------------------|
| Building (other than Factory Building), RCC Frame Structure | 60 Years |
| Furniture and Fittings | 10 Years |
| Office Equipment | 5 Years |
| Computers and Data processing units | 3 Years* |

*Note: The estimated useful life of Computers and Data processing units have been revised and calculated to be 3 years in accordance with the provisions of the Companies Act, 2013 and NBCC accounting policies. Earlier the same was calculated as 5 years. Such revision will result in change in accounting estimation and hence prospective effect given in current period depreciation.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognised.

4.4 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the statement of profit and loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

4.5 FINANCIAL INSTRUMENTS

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. Debt instruments at amortised cost– A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company’s business model.

ii. Equity investments – All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on an instrument to instrument basis.



- iii. Mutual funds – All mutual funds in scope of Ind-AS 109 are measured at fair value through profit and loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. Consequently write back of unsettled credit balances and invoked bank guarantee is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognised in Operating Revenue.

Further when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.6 IMPAIRMENT OF FINANCIAL ASSETS

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling

average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime expected credit losses.

NSL has adopted the NBCC practices in providing for the expected credit loss, i.e. NSL has evaluated the debtors for which credit risk is significantly increased on the basis of net exposure (Trade Receivable less Related Trade Payable) of Trade Receivable ageing beyond 5 years and provides specific provision for the net exposure.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

4.7 INCOME TAXES

Tax expense recognised in Profit and Loss comprises the sum of Current Tax and Deferred Tax and Current Tax not recognised in Other Comprehensive Income or directly in Equity.

Calculation of Current Tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred Income Taxes are calculated using Balance Sheet Approach. The Current Tax and Deferred Tax so calculated are adjusted for the uncertainty of tax treatment by the tax authorities at each reporting date.

Deferred Tax Liabilities are generally recognised in full for all taxable temporary differences.

Deferred Tax Assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

4.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4.9 EQUITY, RESERVES AND DIVIDEND PAYMENTS

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity includes Other Comprehensive Income arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

4.10 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

The employees of the Company are on secondment basis from the holding company i.e. NBCC (India) Limited. Employee benefits include provident fund, pension, gratuity, post retirement scheme & other terminal



benefits. In term of the arrangement with the Holding Company, the company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the company. Accordingly, these employees' benefits are treated as defined contribution scheme.

4.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liabilities are disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved. Contingent assets are disclosed when probable and recognised when realization of income is virtually certain.

4.12 ARBITRATION AWARDS

Arbitration/Court's awards, to the extent not taken into accounts at the time of initiation, shall be accounted for after it becomes decree. Interest to / from in these cases are accounted for on actual payment/ receipt basis.

4.13 LIQUIDATED DAMAGES

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

4.14 PRIOR PERIOD EXPENDITURE/ INCOME

Expenditures / incomes relating to prior periods and considered not material has been accounted for in the respective head of accounts in the current year.

4.15 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialise in accordance with applicable Accounting Standards.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Property, Plant and Equipment - Management assess the remaining useful lives and residual value of property, plant and equipment and believes that the assigned useful lives and residual value are reasonable.

Estimation uncertainty - Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

Revenue recognition – where revenue contracts include deferred payment terms, the management determines the fair value of consideration receivable using the expected collection period and interest rate applicable to similar instruments with a similar credit rating prevailing at the date of transaction.

Recoverability of advances/ receivables – The CEO and Unit In charge from time to time review the recoverability of advances and receivables. The review is done at least once in a financial year and such assessment requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.

Contingencies -Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Provisions for warranties- Management's estimate of the warranties is based on engineering estimates and variation in these assumptions may impact the provision amount and the annual warranty expenses.

Liquidated damages -Liquidated damages receivables are estimated and recorded as per contractual terms; estimate may vary from actual as levy on contractor.

4.16 STANDARDS ISSUED AND ARE EFFECTIVE

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules, 2020 has notified amendments to certain Ind AS. The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2020. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

1. Amendments to Ind AS 1 and Ind AS 8

Definition of Materiality:

The amendments provide a new definition of materiality that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the company.

2. Amendments to Ind AS 103:

Definition of a Business:

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an



integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the company, but may impact future periods had the Company enter into any business combinations.

3. Amendments to Ind AS 107 and Ind AS 109

Interest Rate Benchmark Reform:

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

4. Amendments to Ind AS 116

Covid-19 Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The company do not observe any such case during the year hence there is no impact of the amendment.

5. Conceptual Framework for Financial Reporting:

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Company.

6. Amendments to CSR requirement

The Ministry of Corporate Affairs (MCA) has amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 through a notification dated 22 January 2021. These amendments have introduced some significant changes that require better understanding to ensure compliance. The amendments, amongst others, mandatorily require utilisation of the unspent amount earmarked for CSR activities, failing which it would be transferred to a fund specified in Schedule VII of the Companies Act, 2013. Resultantly, the Company will have to make a provision towards unspent CSR spent, if any, at the end of the year, after deducting the provision created for the CSR activity completed, if applicable and as provided.

The amendments also permit a company which spends an amount in excess of the prescribed CSR amount of 2%, to set-off excess amount against the requirement to spend up to immediately succeeding three financial years subject to the fulfilment of certain conditions. As per the guidance issued by the ICAI, in case the Company, decides to adjust excess amount spent against future obligation, then an asset would have to be recognised to the extent of such excess amount spent.

4.17 STANDARDS ISSUED BUT NOT EFFECTIVE

1. On March 24, 2021, Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- a. Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
- b. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- c. Specified format for disclosure of shareholding of promoters.
- d. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- e. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- f. Specific disclosure under regulatory such as compliance with approved schemes of arrangements compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss

- a. Additional Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income, and crypto or virtual currency specified under the head “additional information” in the Notes to Accounts forming part of the standalone financial statements.

The requirements are extensive and the company is evaluating the same for giving effect as required by the law.

2. On 18th June 2021, Ministry of Corporate Affairs (“MCA”) through a notification issued amendments to various IND AS. These amendments will come into force from 1st April 2021. The Company is currently evaluating the requirements of these amendments and the effect of the disclosure on the financial statements is being evaluated.



Notes to Financial Statements

Note 2 - Property, Plant and Equipment:

A. Details of the Company's Property, Plant and Equipment and reconciliation of their carrying amounts from beginning to end of reporting period are as follows: (₹ in lakhs)

| S. No | FIXED ASSETS | Gross Carrying Amount (At Cost) | | | | Accumulated Depreciation | | | | Net Book Value | |
|----------|--|---------------------------------|-------------|-----------|---------------------|--------------------------|------------------------------------|--------------|---------------------|---------------------|----------------------|
| | | As at 1st April 2021 | Additions | Disposals | As at 31st Mar 2022 | As at 1st April 2021 | Depreciation charge for the period | On Disposals | As at 31st Mar 2022 | As at 31st Mar 2022 | As at March 31, 2021 |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 13 | 14 |
| A | Tangible Assets (Not Under Lease) | | | | | | | | | | |
| | Land And Building | 1,910.60 | - | - | 1,910.60 | 75.74 | 30.25 | - | 105.99 | 1,804.61 | 1,834.86 |
| | Plant and Equipment | | | | | | | | | | |
| | Furniture and Fixtures | 72.32 | - | - | 72.32 | 17.71 | 6.87 | - | 24.58 | 47.74 | 54.61 |
| | Vehicles | - | - | - | - | - | - | - | - | - | - |
| | Office Equipment | 1.80 | 0.71 | - | 2.51 | 1.16 | 0.33 | - | 1.49 | 1.02 | 0.65 |
| | Others (Computers and data processing units) | 2.92 | 1.27 | - | 4.19 | 1.68 | 1.30 | - | 2.98 | 1.21 | 1.24 |
| | Temporary Hutment | - | - | - | - | - | - | - | - | - | - |
| | Total (A) | 1,987.64 | 1.98 | - | 1,989.62 | 96.29 | 38.75 | - | 135.04 | 1,854.59 | 1,891.36 |
| B | Intangible assets | 1.51 | - | - | 1.51 | 1.51 | - | - | 1.51 | - | - |
| | Total (B) | 1.51 | - | - | 1.51 | 1.51 | - | - | 1.51 | - | - |
| | Total (A+B) | 1,989.15 | 1.98 | - | 1,991.13 | 97.79 | 38.75 | - | 136.55 | 1,854.59 | 1,891.36 |
| | Previous Year | 1,988.95 | 0.20 | - | 1,989.15 | 60.58 | 37.22 | - | 97.79 | 1,891.36 | 1,928.37 |

B. Property, Plant and Equipment: Lease / Title Deeds for the following Land and Buildings appearing under the head Land & Building and Right of Use (ROU) Assets-Finance Lease are pending for execution in the name of Company:

| Property, Plant and Equipment:- Description of Item of Property | Gross carrying amount | | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ Yes, Promoter or | Property held since which date | Reason for not being held in the name of the company along with dispute, if any |
|---|-----------------------|----------------------|---------------------------------|---|--------------------------------|---|
| | As at March 31, 2022 | As at March 31, 2021 | | | | |
| Land and building | 1,910.60 | 1,910.60 | NBCC (India) Ltd | Yes, Promoter or | 30.09.2018 | Pending with NBCC |
| Total | 1,910.60 | 1,910.60 | | | | |

C. The Board of Directors of the Company has approved capital expenditure for purchase of office premises in NBCC Centre, Okhla, New Delhi from the holding company admeasuring 7934 sq.ft., containing 7 Units from Unit No G-1 to G-7, at a total cost of Rs. 20 cores excluding stamp duty, registration charges. The Approval of Ministry of Housing & Urban Affairs received on 25.06.2019.

Out of the above, the company has received allotment letter vide ref no NBCC/REM/OKHLA/AL/2018/1823 dated 25.09.2018 for Unit No G1 and G2 and provisional allotment vide ref no NBCC/REM/OKHLA/AL/2018/1824 dated 28.09.2018 for Unit No G3 to G7. The due amount towards purchase of Office has already released to Holding Company. Title deed in the name of Company is yet to be executed, however, the amount is recognised in the books as Fixed Assets as the company is in possession of all the units and depreciation has been charged accordingly.



Note 3

(₹ in lakhs)

| Deferred Tax Assets (Net) | Opening Balance as at 1st April 2021 | Charged / (Credited) to Profit & Loss | Charged/ (Credited) to OCI | Charged/ (Credited) to Equity | Total as at 31st March, 2022 |
|---|--------------------------------------|---------------------------------------|----------------------------|-------------------------------|------------------------------|
| Movements in Deferred Tax Assets | | | | | |
| Arising on account of Temporary difference in: | | | | | |
| Provision for Employee Benefits, Depreciation and Impairment Allowances | - | - | - | - | - |
| Provision for Employee Benefits | 15.70 | (0.75) | - | - | 14.95 |
| Provision for Depreciation | (111.89) | (26.86) | - | - | (138.76) |
| Provision for Impairment Allowances | 182.74 | 97.10 | - | - | 279.84 |
| Total | 86.55 | 69.48 | - | - | 156.03 |

| Deferred Tax Assets (Net) | Opening Balance as at 1st April 2020 | Charged / (Credited) to Profit & Loss | Charged/ (Credited) to OCI | Charged/ (Credited) to Equity | Total as at 31st March, 2021 |
|---|--------------------------------------|---------------------------------------|----------------------------|-------------------------------|------------------------------|
| Movements in Deferred Tax Assets | | | | | |
| Arising on account of Temporary difference in: | | | | | |
| Provision for Employee Benefits, Depreciation and Impairment Allowances | - | - | - | - | - |
| Provision for Employee Benefits | 24.31 | (8.61) | - | - | 15.70 |
| Provision for Depreciation | (80.77) | (31.12) | - | - | (111.89) |
| Provision for Impairment Allowances | 152.61 | 30.13 | - | - | 182.74 |
| Total | 96.14 | (9.59) | - | - | 86.55 |

Note 4

(₹ in lakhs)

| Non-Current Tax Assets | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|------------------------|----------------------------------|----------------------------------|
| Advance Income Tax | - | 265.54 |
| Less : Provision Taken | - | (192.29) |
| Total | - | 73.25 |

Note 5

(₹ in lakhs)

| Trade Receivables | As at 31st March, 2022 (Audited) | | As at 31st March, 2021 (Audited) | |
|--|----------------------------------|-----------------|----------------------------------|-----------------|
| Secured: | | | | |
| Unsecured: | | | | |
| - Considered good (from Holding Company/Other Related Parties)* | 1,436.86 | | 1,640.43 | |
| *(Refer Note no. 27) | | | | |
| - Considered good (from others) | 2,274.54 | | 2,452.80 | |
| Trade Receivable which has significant increase in Credit Risk (Holding Company) | 1,111.87 | | 726.08 | |
| (from Holding Company/Other Related Parties) (Refer Note No. 27) | | | | |
| Trade Receivable - Credit Impaired | | 4,823.27 | - | 4,819.31 |
| Less: Loss allowance | | | | |
| Impairment Allowance for : | | | | |
| Unsecured, Considered good | (1,111.87) | | (726.08) | |
| Unsecured, Considered doubtful | - | (1,111.87) | - | (726.08) |
| Total | | 3,711.40 | | 4,093.23 |

Trade Receivables Ageing Schedule As at March 31, 2022

(₹ in lakhs)

| Particulars | Outstanding for following periods from the due date of payment/ date of transaction | | | | | |
|--|---|-------------------|---------------|--------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Undisputed Trade Receivables: | | | | | | |
| Considered Good | 2,889.99 | 156.08 | 242.83 | 10.82 | 12.79 | 3,312.51 |
| Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - |
| Trade Receivables – Credit Impaired | - | - | - | - | - | - |
| Disputed Trade Receivables: | | | | | | |
| Considered Good | - | - | - | - | 398.89 | 398.89 |
| Trade Receivables which have significant increase in credit risk | - | - | - | - | 1,111.87 | 1,111.87 |
| Trade Receivables – Credit Impaired | - | - | - | - | - | - |
| Total | 2,889.99 | 156.08 | 242.83 | 10.82 | 1,523.55 | 4,823.27 |



Trade Receivables Ageing Schedule
As at March 31, 2021

(₹ in lakhs)

| Particulars | Outstanding for following periods from the due date of payment/ date of transaction | | | | | |
|--|---|-------------------|---------------|--------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Undisputed Trade Receivables: | | | | | | |
| Considered Good | 2,869.64 | 209.66 | 213.26 | 15.99 | - | 3,308.55 |
| Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - |
| Trade Receivables – Credit Impaired | - | - | - | - | - | - |
| Disputed Trade Receivables: | | | | | | |
| Considered Good | - | - | - | - | 784.68 | 784.68 |
| Trade Receivables which have significant increase in credit risk | - | - | - | - | 726.08 | 726.08 |
| Trade Receivables – Credit Impaired | - | - | - | - | - | - |
| Total | 2,869.64 | 209.66 | 213.26 | 15.99 | 1,510.76 | 4,819.31 |

Note 6

(₹ in lakhs)

| Cash and Cash Equivalents | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|--|----------------------------------|----------------------------------|
| Balances with Banks in Current Account | 1,594.53 | 540.63 |
| Remittances in Transit | - | - |
| Cash in hand | - | - |
| Cheques in Hand | - | 21.34 |
| Fixed Deposits upto 3 months Original Maturity [^] | - | - |
| Flexi Deposits upto 3 months Original Maturity ^{^^} | 2,591.85 | 1,952.90 |
| Total | 4,186.38 | 2,514.87 |

^{^^}Includes Interest Accrued on Fixed Deposits

0.13

0.53

Note 7

(₹ in lakhs)

| Bank balance other than above | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|--|----------------------------------|----------------------------------|
| Other Bank Balances | | |
| Flexi Deposits having Original Maturity more than 3 months and upto 12 Months | - | - |
| Fixed Deposits having Original Maturity more than 3 months and upto 12 Months* | 398.21 | 541.36 |
| Bank deposits more than 3 months and upto 12 months Maturity* | - | - |
| Interest Accrued on Fixed Deposits | - | - |
| Interest Accrued on Flexi Deposits | - | - |
| Total | 398.21 | 541.36 |

* Includes Interest Accrued on Fixed Deposits

8.51

32.74

The following Bank Balances out of Note 6 & 7 are held in the Separate Bank Accounts maintained on behalf of Clients / Ministries:-

(₹ in lakhs)

| Bank Balance held on behalf of Ministries/Clients | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|--|----------------------------------|----------------------------------|
| Balances with Banks in Current Account | 78.65 | 521.19 |
| Flexi Deposits upto 3 months Original Maturity | 344.44 | 507.09 |
| Flexi Deposit having Original Maturity more than 3 months and upto 12 Months | - | - |
| Fixed Deposit having Original Maturity more than 3 months and upto 12 Months | - | - |
| Fixed Deposit having Original Maturity more than 12 months. | - | - |
| Balances with Banks in RERA Account | - | - |
| Total | 423.09 | 1,028.28 |

Note 8

(₹ in lakhs)

| Other Financial Assets | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|------------------------|----------------------------------|----------------------------------|
| EMD | 0.25 | 41.00 |
| Amount Recoverable | | |
| Others Recoverable | - | 79.10 |
| Total | 0.25 | 120.10 |

Note 9

(₹ in lakhs)

| Current Tax Assets (Net) | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|-------------------------------|----------------------------------|----------------------------------|
| Advance Income Tax | 300.84 | - |
| Less: Provision for taxation* | (229.38) | - |
| *(Refer Note No.16A) | | |
| Total | 71.46 | - |

Note 10

(₹ in lakhs)

| Other Current Assets | As at 31st March, 2022 (Audited) | | As at 31st March, 2021 (Audited) | |
|---|----------------------------------|---------------|----------------------------------|---------------|
| Advances to PRWs, Suppliers & Others | | | | |
| - Advance/ Financial Assistance to Contractor | - | | - | - |
| - Secured Considered Good | - | - | - | - |
| - Unsecured Considered Good | 3.26 | - | 4.39 | - |
| - Doubtful | - | | - | - |
| Less: Provision | - | 3.26 | - | 4.39 |
| Prepaid Expenses | | | | |
| Balance With Govt Authority | - | 658.32 | - | 596.51 |
| Total | | 661.58 | | 600.91 |



Note 11

(₹ in lakhs)

| Equity Share Capital | As at 31st March, 2022 (Audited) | | As at 31st March, 2021 (Audited) | |
|--|----------------------------------|---------------|----------------------------------|---------------|
| | Number | Amount | Number | Amount |
| Authorised: | | | | |
| Equity Shares of Rs. 10/- each (Previous Year Rs.10/- each) | 50,00,000 | 500.00 | 50,00,000 | 500.00 |
| Issued, Subscribed & Paid up: | | | | |
| Fully paid up Equity Shares of Rs.10/- each (Previous Year Fully Paid Equity Shares of Rs.10/- each) | 30,00,000 | 300.00 | 30,00,000 | 300.00 |
| Total | 30,00,000 | 300.00 | 30,00,000 | 300.00 |

Note 11A

(₹ in lakhs)

| Equity Share Capital | Equity Shares | | | |
|--|----------------------------------|---------------|----------------------------------|---------------|
| | As at 31st March, 2022 (Audited) | | As at 31st March, 2021 (Audited) | |
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 30,00,000 | 300.00 | 20,00,000 | 200.00 |
| Add : Shares issued during the year | - | - | 10,00,000 | 100.00 |
| Shares outstanding at the end of the year | 30,00,000 | 300.00 | 30,00,000 | 300.00 |

Note 11B

Shareholders holding more than 5% of fully paid-up equity shares:

(₹ in lakhs)

| Name | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---------------------------------------|------------------------|------------|------------------------|------------|
| | No. of shares | Percentage | No. of shares | Percentage |
| NBCC (India) Limited and its nominees | 30,00,000 | 100.00% | 30,00,000 | 100.00% |

Note 11C

Details of shares held by promoters and promoters group
As at March 31, 2022

| Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---|--|------------------------|--------------------------------------|-------------------|--------------------------|
| NBCC (India) Ltd | 29,99,100 | - | 29,99,100 | 99.97% | 0.00% |
| Smt A. Sabeena | 150 | - | 150 | 0.005% | 0.00% |
| Smt B.K Sokhey | 150 | - | 150 | 0.005% | 0.00% |
| Shri Manas Kaviraj (w e f 6th Aug 2021) | 150 | - | 150 | 0.005% | 0.00% |
| Shri Rakesh Garg | 150 | - | 150 | 0.005% | 0.00% |
| Shri Yogesh Sharma | 150 | - | 150 | 0.005% | 0.00% |
| Shri Rakesh Gupta | 150 | - | 150 | 0.005% | 0.00% |

As at March 31, 2022

| Promoter name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % Change during the year |
|---------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| NBCC (India) Ltd | 19,99,400 | 9,99,700 | 29,99,100 | 99.97% | 50.00% |
| Shri NP Aggarwal | 100 | (100) | - | 0.000% | -100.00% |
| Smt A. Sabeena | 100 | 50 | 150 | 0.005% | 50.00% |
| Smt B.K Sokhey | 100 | 50 | 150 | 0.005% | 50.00% |
| Shri Neelesh M Shah | 100 | 50 | 150 | 0.005% | 50.00% |
| Shri Rakesh Garg | - | 150 | 150 | 0.005% | 150.00% |
| Shri Yogesh Sharma | 100 | 50 | 150 | 0.005% | 50.00% |
| Shri Rakesh Gupta | 100 | 50 | 150 | 0.005% | 50.00% |

Note 11D

The Company has only one class of equity shares and the shareholders of the company are entitled to receive dividends as and when declared by the company and enjoy proportionate voting rights in case any resolution is put to vote. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Note 12

(₹ in lakhs)

| Other Equity | As at 31st March, 2022 | As at 31st March, 2021 |
|---|------------------------|------------------------|
| Other Equity (Refer Statement of changes in Equity) | 2,996.53 | 2,845.40 |
| Total | 2,996.53 | 2,845.40 |

Reserves and Surplus
Retained Earnings

Retained Earnings represent the undistributed profits of the Company.

Note 13A

(₹ in lakhs)

| Lease Liabilities (Non Current) | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|---------------------------------|----------------------------------|----------------------------------|
| Lease Liabilities | - | - |
| Total | - | - |

Note 13B

(₹ in lakhs)

| Lease Liabilities (Current) | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|-----------------------------|----------------------------------|----------------------------------|
| Lease Liabilities | - | - |
| Total | - | - |



Note 13

(₹ in lakhs)

| Trade Payables | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|--|----------------------------------|----------------------------------|
| Due to Micro, Small and Medium Enterprises | - | 0.49 |
| Due to others | | |
| - Amount Withheld against work | 18.22 | 8.98 |
| - Trade Payables To NECL | - | - |
| - Trade Payables for Works & Services | 4,866.26 | 4,521.91 |
| Total | 4,884.48 | 4,531.38 |

Trade Payable Ageing Schedule As at March 31, 2022

(₹ in lakhs)

| Particulars | Outstanding for following periods from the due date of payment/ date of transaction | | | | |
|--|--|---------------|-------------|----------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Due to Micro Enterprises and Small Enterprises | - | - | - | - | - |
| Due to Others | 4,385.96 | 251.17 | - | 229.12 | 4,866.26 |
| Amount withheld against Work | 11.74 | 0.36 | 6.12 | - | 18.22 |
| Disputed Dues- Micro Enterprises and Small Enterprises | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Disputed Dues- Amount withheld against Work | - | - | - | - | - |
| Total | 4,397.71 | 251.53 | 6.12 | 229.12 | 4,884.48 |

Trade Payable Ageing Schedule As at March 31, 2021

(₹ in lakhs)

| Particulars | Outstanding for following periods from the due date of payment/ date of transaction | | | | |
|--|--|---------------|--------------|----------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| Due to Micro Enterprises and Small Enterprises | 0.49 | - | - | - | 0.49 |
| Due to Others | 3,859.29 | 297.04 | 69.64 | 295.94 | 4,521.91 |
| Amount withheld against Work | 0.86 | 8.12 | - | - | 8.98 |
| Disputed Dues- Micro Enterprises and Small Enterprises | - | - | - | - | - |
| Disputed Dues- Others | - | - | - | - | - |
| Disputed Dues- Amount withheld against Work | - | - | - | - | - |
| Total | 3,860.64 | 305.16 | 69.64 | 295.94 | 4,531.38 |

In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding, interest due thereon, interest paid etc to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act.

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act, 2006”) is as under:

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

| Particulars | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|---|----------------------------------|----------------------------------|
| A. The principal amount remaining unpaid as at the end of year. | - | 0.49 |
| B. Interest due on above principal and remaining unpaid as at the end of the year. | - | - |
| C. The amount of interest paid by the buyer in terms of section 16, of the (MSMED) Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| D. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under (MSMED) Act, 2006. | - | - |
| E. The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| F. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the (MSMED) Act, 2006 | - | - |
| Total | - | 0.49 |

Note 14

(₹ in lakhs)

| Other financial liabilities (Current) | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|---|----------------------------------|----------------------------------|
| Current Maturities of Long Term Borrowing | | |
| Earnest Money & Security Deposits | 1,118.04 | 970.73 |
| Other Payables | 78.49 | 113.78 |
| Total | 1,196.54 | 1,084.51 |

Note 15

(₹ in lakhs)

| Other Current Liabilities | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|---|----------------------------------|----------------------------------|
| Statutory Dues payable | 389.68 | 196.22 |
| Advance from Clients | 1,247.84 | 813.62 |
| Other Payables to Holding Company (Refer Note 27) | 24.84 | 47.12 |
| Total | 1,662.36 | 1,056.96 |



Note 16

(₹ in lakhs)

| Provisions-Current | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|--------------------------------|----------------------------------|----------------------------------|
| Provision for Others | | |
| - Provision For CSR Activities | - | - |
| Total | - | - |

Note 16A

(₹ in lakhs)

| Current Tax Liabilities (Net) | As at 31st March, 2022 (Audited) | As at 31st March, 2021 (Audited) |
|-----------------------------------|----------------------------------|----------------------------------|
| Provision for Taxation | - | 103.38 |
| Less: Advances Taxes/Tax Deducted | - | - |
| (Refer Note No. 9) | | |
| Total | - | 103.38 |

Note 17

(₹ in lakhs)

| Revenue from Operations | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--|--|--|
| Value of Services | | |
| Value of Work Done (Project Management & Supervision Services) | 11,885.58 | 14,684.00 |
| Total | 11,885.58 | 14,684.00 |

The table below presents disaggregated revenues from contracts with customers for the Period ended 31.03.2022 by nature and contract-type:

| Disaggregation of Revenue on the basis of : | Types of Service by Nature | Total |
|--|----------------------------|------------------|
| Types of Contract | Cost Plus Contracts | 10,636.88 |
| | Fixed Price Contracts | 1,248.69 |
| | Total | 11,885.58 |
| Timing of Satisfaction of Performance obligation | Over the Period of Time | 11,885.58 |
| | At the Point of Time | - |
| | Total | 11,885.58 |
| Method of Measurement of Performance | Input Method | 11,885.58 |
| | Output Method | - |
| | Stand Alone Selling Price | - |
| | Total | 11,885.58 |

The table below presents disaggregated revenues from contracts with customers for the Period ended 31.03.2021 by nature and contract-type:

| Disaggregation of Revenue on the basis of : | Types of Service by Nature | Total |
|--|----------------------------|------------------|
| Types of Contract | Cost Plus Contracts | 13,408.78 |
| | Fixed Price Contracts | 1,275.22 |
| | Total | 14,684.00 |
| Timing of Satisfaction of Performance obligation | Over the Period of Time | 14,684.00 |
| | At the Point of Time | - |
| | Total | 14,684.00 |
| Method of Measurement of Performance | Input Method | 14,684.00 |
| | Output Method | - |
| | Stand Alone Selling Price | - |
| | Total | 14,684.00 |

Note 18

(₹ in lakhs)

| Other Operating Revenue | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|---|---|
| Miscellaneous Receipts - Tender Fees and Other Receipts | 66.63 | 83.33 |
| Unadjusted Credit Balances Written Back | 176.45 | 85.72 |
| Provisions Written Back - Trade Receivables | - | - |
| Provisions Written Back - Others | - | - |
| Total | 243.08 | 169.05 |

Note 19

(₹ in lakhs)

| Other Income | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|----------------------------|---|---|
| Interest Income | | |
| (i) From Banks | 44.65 | 61.58 |
| (ii) From Contractors | - | - |
| (iii) On Income Tax Refund | - | - |
| Rent Received | - | - |
| Total | 44.65 | 61.58 |

Note 20

(₹ in lakhs)

| Work and Consultancy Expenses | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--|---|---|
| Cost of Work Expenses (without material) | 2.95 | 365.61 |
| Cost of Work Expenses (with material) | 10,087.84 | 12,152.66 |
| Consultancy Expenses | 24.53 | 50.16 |
| Total | 10,115.31 | 12,568.43 |



Note 21

(₹ in lakhs)

| Employee Benefits Expense * | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|---|---|
| Salaries and incentives | 678.08 | 631.86 |
| Contributions to Provident and other fund | 52.81 | 49.23 |
| Contribution for Pension | 28.85 | 28.04 |
| Gratuity fund contributions | 19.78 | 19.27 |
| Post Retirement Medical Benefit | 25.45 | 24.80 |
| Leave Encashment | 45.68 | 44.51 |
| Staff welfare expenses | 3.97 | 4.92 |
| Total | 854.63 | 802.63 |

* The employees of the company are on secondment basis from the holding company i.e. NBCC (India) Limited. Employees benefits including provident fund, pension, gratuity, post retirement scheme & other terminal benefits are being dealt by the holding company.

The holding company NBCC has greatly supported the company by deploying employees of NBCC from different disciplines on Secondment basis. The employee at Secondment basis at NSL will continue to be governed under all the service condition/rules procedures of the holding company and will draw emoluments i.e. pay, perks, allowances and other benefits which otherwise they are entitled to draw in the holding company (Office Order 23/2015).

Note 22

(₹ in lakhs)

| Other Expenses | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|---|---|
| Advertisement | 0.04 | 0.02 |
| Hire Charges | 6.02 | 5.70 |
| Auditor's Remuneration | 4.86 | 3.81 |
| Bank charges & Guarantee Commission | 0.04 | 0.05 |
| Conference & Management Development Expenses | 0.26 | 0.48 |
| CSR Expenditure (Refer CSR disclosure placed below) | 20.22 | 19.56 |
| Audit Fees (Internal,etc) | 1.18 | 0.90 |
| Legal & Professional Charges | 16.27 | 8.93 |
| Postage & Telephone | 1.96 | 2.26 |
| Printing & Stationery | 3.97 | 3.69 |
| Rent, Rates & Taxes | 5.62 | - |
| Repairs & Maintenance | | |
| - Others | - | 0.40 |
| Travelling & Conveyance | 2.19 | 2.19 |
| Water & Electricity | 4.86 | 5.14 |
| Impairment Allowances for Trade Receivables | 385.79 | 119.72 |
| Miscellaneous. Expenses | 11.51 | 3.03 |
| Total | 464.80 | 175.88 |

DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--|--|--|
| Average net profit of the company as per section 135(5) | 1,010.89 | 978.06 |
| Two percent of average net profit of the company as per section 135(5) | 20.22 | 19.56 |
| Amount to be spent during the year | 20.22 | 19.56 |
| Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | - | - |
| Amount required to be set off for the financial year, | - | - |
| Total CSR obligation for the Financial Year | 20.22 | 19.56 |
| Actual Amount Spent (Including Administrative Overhead) | 20.22 | 19.56 |
| Actual Amount Spent from Budget of F.Y. 2019-20 | - | - |
| Surplus Amount Spent | - | - |
| Amount Unspent for F.Y. 2020-21 | - | - |
| Amount Unspent for F.Y. 2021-22 | - | - |

CSR amount spent or unspent for the financial year:

(₹ in lakhs)

| Total Amount Spent for the Financial Year (in Rs.) | Total Amount transferred to Unspent CSR Account | | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
|--|---|------------------|--------------------------|---|--------|------------------|
| | Amount | Date of Transfer | Reason of Amount Unspent | Name of the Fund | Amount | Date of Transfer |
| 20,22,000.00 | Nil | NA | NA | NA | NA | NA |

| Opening Balance | | Amount required to be spent during the year | Amount Spent during the year | | Closing Balance | |
|------------------|--------------------------|---|------------------------------|--------------------------|------------------|--------------------------|
| With the Company | Separate CSR Unspent A/c | | With the Company | Separate CSR Unspent A/c | With the Company | Separate CSR Unspent A/c |
| - | - | 20.22 | 20.22 | - | - | - |

Details of Unspent CSR amount for the preceding three financial years:

(₹ in lakhs)

| Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any | Amount remaining to be spent in succeeding financial years (in Rs.) |
|--------------------------|--|---|---|---|
| 2018-19 | - | - | - | - |
| 2019-20 | - | - | - | - |
| 2020-21 | - | - | - | - |



* Amount spent during the year :

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 | | | For the year ended on March 31, 2021 | | |
|---|--------------------------------------|----------------|--------------|--------------------------------------|----------------|--------------|
| | In Cash | Yet To Be Paid | Total | In Cash | Yet To Be Paid | Total |
| (i) Construction/acquisition of any assets (A) | Nil | | | Nil | | |
| Total (A) | Nil | | | Nil | | |
| (ii) On purposes other than (i) above | | | | | | |
| Donation to PM CARES | 7.22 | - | 7.22 | 19.56 | - | 19.56 |
| Others - Donation to KISS | 13.00 | - | 13.00 | | - | - |
| Total (B) | 20.22 | - | 20.22 | 19.56 | | 19.56 |
| Total (A+B) | 20.22 | - | 20.22 | 19.56 | - | 19.56 |

Note 23

(₹ in lakhs)

| Payment to Auditors | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--|--|--|
| Audit fee | 1.82 | 1.65 |
| Tax Audit | 0.54 | 0.55 |
| Quarterly Limited Review | 1.63 | 1.49 |
| Reimbursement of Expenditure and other professional fees | 0.87 | 0.19 |
| Total | 4.86 | 3.81 |

Note 24

(₹ in lakhs)

| Income tax | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|--|--|
| Tax expense comprises of: | | |
| Current income tax | 229.38 | 306.98 |
| Deferred tax | (69.48) | 9.59 |
| Provision For Earlier Year Written Back | 26.15 | (51.72) |
| Total | 186.05 | 264.85 |

Note 25

(₹ in lakhs)

| Write Off | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--------------------|--|--|
| Loans and Advances | | - |
| Trade Receivables | 87.65 | 110.40 |
| Others | | - |
| Total | 87.65 | 110.40 |

Note 26

Earnings per share ("EPS"):

Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (Ind As-33) on "Earning per Share"

(₹ in lakhs)

| Earnings per equity share | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|---|---|
| Profit attributable to Equity Holders: | | |
| Continuing operations | 426.11 | 955.22 |
| Discontinued operation | - | - |
| Profit attributable to equity holders of the Company for basic earnings | 426.11 | 955.22 |
| Profit attributable to equity holders of the Company adjusted for the effect of dilution | 426.11 | 955.22 |
| Weighted average number of Equity shares for basic EPS | 30,00,000 | 30,00,000 |
| Face Value per Equity Share (₹) | Rs. 10 per share | Rs. 10 per share |
| Earnings per equity share (for continuing operation): | | |
| (1) Basic | 14.20 | 31.84 |
| (2) Diluted | 14.20 | 31.84 |

Note 27

As per Indian Accounting Standard -24, the list of the related parties during the period is given below:

- (a) Holding Company
NBCC (INDIA) Limited
- (b) NBCC Engineering and Consultancy Limited ("NECL") -Subsidiary of holding Company.
- (c) Key Managerial Personnel:
 - (i) Ms B.K Sokhey, Chairperson (Joining On 10.06.2021)
 - (ii) Mr. N K Shah, Director (Cease on 31.05.2021)
 - (iii) Mr. Rakesh Gupta, Director (Ceases on 28.2.2022)
 - (iv) Mr. Mukat Bihari Singhal, Director
 - (v) Mr. Novman Ahmed, CEO (Cease on 30.11.2021)
 - (vi) Mr. Sanjay Kumar Gupta, CEO (Joining on 01.12.2021)
 - (vii) Mr. Amarnath Mourya, CFO
 - (viii) Mr. Arun Kumar Sharma (joining on 19.4.2022)

Transactions with the related parties during the period are as under :



(a) NBCC (INDIA) Limited- Holding Company

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|--|--|
| Nature of Transaction | | |
| Opening Balance | 2,366.51 | 2,295.95 |
| Add: Service rendered | 2,676.18 | 3,618.27 |
| Less: Rent Paid | - | - |
| Less: Service Received | (95.65) | (217.30) |
| Less: Amount Received/Adjusted/Advances/TDS (Net) | (2,398.31) | -3,330.41 |
| Receivable/(payable) (Refer Note No. 5) | 2,548.73 | 2,366.51 |
| Amount Recoverable | - | - |
| (Refer Note No. 8) | | |
| Receivable/(payable) at the end of the period | 2,548.73 | 2,366.51 |
| Amount Payable For Property Purchase | | |
| (ii) Employee benefit and other payable (Refer Note 15) | | |
| Opening Balance | (47.12) | (27.10) |
| Less: Amount Adjusted From Operation | | - |
| Less: Amount adjusted/paid | 331.57 | 352.61 |
| Add: Amount payable for fixed contribution | (134.19) | (150.62) |
| Add: Amount payable to Employee Benefit and Others | (175.10) | (222.00) |
| Receivable/(payable) at the end of the period | (24.84) | (47.12) |
| Net Receivable/(Payable) | 2,523.89 | 2,319.39 |
| Impairment allowance (refer Note 5) | 1111.86 | 726.08 |
| Security Deposit (refer Note 8) | - | - |

(b) NECL

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|---|--|--|
| Opening Balance | - | 4.62 |
| Service rendered | - | - |
| Less: Amount received/adjusted/TDS | - | -4.62 |
| Less: Services Received | - | - |
| Net Receivable/(Payable) (Refer Note No. 5) | - | - |

(c) Salary Other employee benefits paid to CEO & CFO during the period

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 (Audited) | For the year ended on March 31, 2021 (Audited) |
|--|--|--|
| Salaries and Incentives | 47.90 | 56.69 |
| Contribution for provident fund & pension fund | 6.11 | 5.71 |
| Other Employee Benefits | 7.08 | 6.62 |
| Total | 61.08 | 69.02 |

Related party transactions :

1. Relationship with Entities

| |
|---|
| Details of Joint Ventures (JV) / Associate Entities |
| None |

2. Relationship with Entities

| |
|-------------------------|
| Details of Subsidiaries |
| None |

3. Key Managerial Personnel (KMP)

| A. Whole Time Directors/Chief Financial Officer/ Company Secretary | B. Independent Directors | C. Government Nominee Directors |
|--|--------------------------|---------------------------------|
| Novman Ahmed (Ceased as CEO from 30.11.2021) | None | None |
| Sanjay Kumar Gupta (Joined as CEO on 01.12.2021) | | |
| Amarnath Mourya | | |

Details relating to the Key Managerial Personnel

(₹ in lakhs)

| Key Managerial Personnel | For the Year ended on March 31, 2022 | | | | | |
|--|--------------------------------------|--------------------------|-----------------------------------|--------------------|--------------|---|
| | Short Term Employee Benefits | Post Employment Benefits | Other Long Term Employee Benefits | Total Remuneration | Sitting Fees | O/s Loans (Gross / Advance Receivables) |
| A. Whole Time Directors / Chief Financial Officer / Company Secretary | | | | | | |
| Novman Ahmed (Ceased as CEO from 30.11.2021) | 16.32 | 2.08 | 2.41 | 20.80 | - | - |
| Sanjay Kumar Gupta (Joined as CEO on 01.12.2021) | 8.10 | 1.04 | 1.20 | 10.34 | - | - |
| Amarnath Mourya (CFO) | 23.48 | 3.00 | 3.47 | 29.95 | - | - |
| B. Independent Directors | | | | | | |
| NA | | | | | | |
| Total | 47.90 | 6.11 | 7.08 | 61.08 | - | - |

The company is a wholly owned subsidiary of a government company NBCC (India) Ltd under the aegis of Ministry of Housing and Urban Affairs.

In accordance with para 25 of Indian Accounting Standard (Ind As - 24) Related Party Disclosure, no disclosure is required for Subsidiary Companies/ Joint Venture Entities which can be treated as state controlled enterprises (i.e ownership by Central/ State Government, directly or Indirectly, is more than 50% of voting rights)



Details relating to the parties referred above:

(₹ in lakhs)

| Particulars | For the Year ended on March 31, 2022 | | |
|----------------------------------|--|--|-----------------------|
| | Novman Ahmed (Ceased as CEO from 30.11.2021) | Sanjay Kumar Gupta (Joined as CEO on 01.12.2021) | Amarnath Mourya (CFO) |
| Nature of Transaction : | | | |
| Amount Received | - | - | - |
| Amount Paid | - | - | - |
| Advances for works | - | - | - |
| Share of Profit from J.V | - | - | - |
| Repayment of Investments | - | - | - |
| (B) Outstanding Balances: | | | |
| Amount Receivable (Payable) | - | - | - |

(₹ in lakhs)

| Particulars | For the Year ended on March 31, 2021 | | |
|----------------------------------|--|--|-----------------------|
| | Novman Ahmed (Ceased as CEO from 30.11.2021) | Sanjay Kumar Gupta (Joined as CEO on 01.12.2021) | Amarnath Mourya (CFO) |
| Nature of Transaction : | | | |
| Amount Received | - | - | - |
| Amount Paid | - | - | - |
| Advances for works | - | - | - |
| Share of Profit from J.V | - | - | - |
| Repayment of Investments | - | - | - |
| (B) Outstanding Balances: | | | |
| Amount Receivable (Payable) | - | - | - |

Note 28

Indian Accounting Standard-108 "Segment Reporting"

The Company during the period is engaged in project management and supervision services which is the only primary business segment and as such the requirement of Segment wise reporting is not attracted.

Note 29

Balances of Trade Receivables , Trade Payables, Other Payables and Loans & Advances are subject to reconciliation and confirmation. Adjustment, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

Note 30

Contractors' claims for price variation/extra work etc. are accounted for as cost of work to the extent such claims are accepted and approved by the engineer of the company by certifying the running bills raised by the contractors. The adjustments, if any shall be accounted for at the time of approval/settlement of final bill by the competent authority, which in the opinion of the management will not have a material impact.

Note 31

In the opinion of the management, the value of current assets on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

Note 32

The Major Components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax rate of the Company and the reported Tax Expense in Profit or Loss are as follows :

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 | For the year ended on March 31, 2021 |
|--|---|---|
| Accounting Profit before Tax from Continuing Operation | 612.16 | 1,220.07 |
| Accounting Profit Before Income Tax | 612.16 | 1,220.07 |
| Statutory Income Tax Rate | 25.17% | 25.17% |
| Income Tax | 154.07 | 307.07 |
| Tax Effect Due to Non Taxable Income | 0.00 | 0.00 |
| Tax Effect of Tax Incentive | 0.00 | 0.00 |
| Tax Effect of Non Deductible Expenses | 75.31 | -0.09 |
| Additional Deduction of Research and Development Expense | 0.00 | 0.00 |
| Tax Effect Due to Change in Deferred Tax Rate | (69.48) | 9.59 |
| Tax in respect of Earlier Years | 26.15 | (51.72) |
| Tax Expense | 186.05 | 264.85 |
| Actual Tax Expense | 186.05 | 264.85 |
| Effective Tax Rate | 30.39% | 21.71% |

Note 33

(₹ in lakhs)

| Other Comprehensive Income | For the year ended on March 31, 2022 | For the year ended on March 31, 2021 |
|--|---|---|
| A) Items that will not be reclassified into Profit & Loss | | |
| Remeasurement Gains / (Losses) on Defined Benefit Plans | 0.00 | 0.00 |
| Income Tax related to above | 0.00 | 0.00 |
| B) Items that will be reclassified into Profit & Loss | | |
| Exchange difference on translation of Foreign Operations | 0.00 | 0.00 |
| Income Tax related to above | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |



Note 34

(₹ in lakhs)

| Contingent Liabilities, Contingent Assets and Commitments (To the extent not provided for) | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| (A) Contingent Liabilities: | | |
| Claims against the Company not acknowledged as debts. Counter claims of the Corporation against these claims amounting to NIL not accounted for in books. | 8.32 | 58.31 |
| (B) Commitments:- | | |
| (i) Capital Commitments for the acquisition of Capital Assets is NIL (P.Y. NIL) | - | - |
| (ii) Other Commitments | - | - |

Note 35

(₹ in lakhs)

| Dividend and Reserves | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Cash Dividends on Equity Share declared and Paid | | |
| Dividend | 275.00 | 40.00 |
| Interim Dividend | - | 100.00 |
| Total | 275.00 | 140.00 |

Proposed Dividend for the year 2021-22:

- Proposed Dividend Rs. 8.33 per share on face value of Rs. 10 per share (Previous year Rs. 12.50 per share on face value of Rs. 10 per share)
- Proposed Dividend is subject to approval of Shareholders in ensuing annual general meeting of the Company.

Note 36

Financial Assets and Liabilities

The carrying amounts of Financial Assets and Financial Liabilities in each category are as follows:

Financial Instruments by Category

(₹ in lakhs)

| Particulars | Note Reference | As at March 31, 2022 | | | As at March 31, 2021 | | |
|--------------------------------------|----------------|----------------------|---------------------|-----------------|----------------------|---------------------|-----------------|
| | | FVTPL | Amor- tised cost | Fair Value | FVTPL | Amor- tised cost | Fair Value |
| Financial Assets | | | | | | | |
| Investments | | - | - | - | - | - | - |
| Trade Receivables | Note 5 | - | 3,711.40 | 3,711.40 | - | 4,093.23 | 4,093.23 |
| Cash and Cash Equivalents | Note 6 | - | 4,186.38 | 4,186.38 | - | 2,514.87 | 2,514.87 |
| Other Bank Balances | Note 7 | - | 398.21 | 398.21 | - | 541.36 | 541.36 |
| Other Financial Assets | | | | | | | |
| Other Financial Assets - Current | Note 8 | - | 0.25 | 0.25 | - | 120.10 | 120.10 |
| Other Financial Assets - Non Current | | - | - | - | - | - | - |
| Other Financial Assets | | - | - | - | - | - | - |
| Total Financial Assets | | - | 8,296.24 | 8,296.24 | - | 7,269.56 | 7,269.56 |

(₹ in lakhs)

| Particulars | Note Reference | As at March 31, 2022 | | | As at March 31, 2021 | | |
|---|----------------|----------------------|----------------|------------|----------------------|----------------|------------|
| | | FVTPL | Amortised cost | Fair Value | FVTPL | Amortised cost | Fair Value |
| Financial Liabilities | | | | | | | |
| Trade Payables | Note 13 | - | 4,884.48 | 4,884.48 | - | 4,531.38 | 4,531.38 |
| Other Financial Liabilities | | | | | | | |
| Other Financial Liabilities - Current | Note 14 | - | 1,196.54 | 1,196.54 | - | 1,084.51 | 1,084.51 |
| Other Financial Liabilities - Non Current | | | | | | | |
| Total Financial Liabilities | | - | 6,081.01 | 6,081.01 | - | 5,615.89 | 5,615.89 |

The carrying amount of Trade Receivables, Trade Payables and Cash & Cash Equivalent are considered to be the same as their Fair Values due to their short term nature.

The carrying amount of the Financial Assets and Liabilities carried Amortised Cost is considered a reasonable approximation of Fair Value.

Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

(A) Credit Risk

The Company is exposed to credit risk from its Operating Activities (Primarily Trade Receivables) and from its Financing Activities including Deposits with Banks, Mutual Funds and Financial Institutions and other Financial Instruments.

(i) Credit Risk Management

The Company assesses and manages credit risk of Financial Assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of Financial Assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

A: Low Credit Risk on financial reporting date

B: Moderate Credit Risk

C: High Credit Risk

The Company provides for Expected Credit Loss based on the following:

(₹ in lakhs)

| Asset Company | Basis of categorisation | Provision for expenses credit loss |
|----------------------|---|--|
| Low Credit Risk | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 12 month expected credit loss |
| Moderate Credit Risk | Trade Receivables | Life time expected credit loss |
| High Credit Risk | Trade Receivables and other Financial Assets | Life time expected credit loss or fully provided for |



In respect of Trade Receivables, the Company recognises a provision for lifetime Expected Credit Loss.

Based on business environment in which the Company operates, a default on a Financial Asset is considered when the counter party fails to make payments within the agreed time period as per contract or decided later based upon the factual circumstances on case to case basis. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

During the current financial year, the company has identified certain debtors where the management has assessed substantial increase in credit risk. Following the prudent accounting practices, the company has made a provision of Rs. 1111.87 Lakhs upto March 31, 2022 (Upto March 31, 2021 Rs. 726.08) on the net exposure of the trade receivables and corresponding trade payables where the company has legally enforceable right to adjust the same.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

(₹ in lakhs)

| Credit rating | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|---|----------------------|----------------------|
| A: Low Credit Risk | Cash and Cash Equivalents, other Bank Balances and other Financial Assets | 4,584.84 | 3,176.33 |
| B: Moderate Credit Risk | Trade Receivables | 3,711.40 | 4,093.23 |
| C: High Credit Risk | | | |

Concentration of Trade Receivables

The Company's Major Exposure to Credit Risk for Trade Receivables are from various Government Departments/ Ministries.

Credit Risk Exposure

Provision for Expected Credit Losses

The Company provides for Expected Credit Loss based on 12 month and lifetime Expected Credit Loss basis for following Financial Assets –

A: Low Credit Risk

As at March 31, 2022

(₹ in lakhs)

| Particulars | Note reference | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|--------------------------------------|----------------|-----------------|------------|---|
| Cash and Cash Equivalents | Note -6 | 4,186.38 | - | 4,186.38 |
| Other Bank Balances | Note -7 | 398.21 | - | 398.21 |
| Investments & Other Financial Assets | Note -8 | 0.25 | - | 0.25 |

As at March 31, 2021

(₹ in lakhs)

| Particulars | Note reference | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|--------------------------------------|----------------|-----------------|------------|---|
| Cash and Cash Equivalents | Note -6 | 2,514.87 | - | 2,514.87 |
| Other Bank Balances | Note -7 | 541.36 | - | 541.36 |
| Investments & Other Financial Assets | Note -8 | 120.10 | - | 120.10 |

B: Moderate Credit Risk

Expected Credit Loss for Retention & Security Deposit with Clients:

(₹ in lakhs)

| Particulars | Year | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|---|----------------|-----------------|------------|---|
| Retention Money & Security Deposit with Clients | March 31, 2022 | - | - | - |
| | March 31, 2021 | - | - | - |

Expected Credit Loss for Trade Receivables under simplified approach

As at March 31, 2022

(₹ in lakhs)

| Ageing | Note reference | Upto 1 year | Between 1 and 2 years | Between 2 and 3 years | Above 3 years | Total |
|--|----------------|-------------|-----------------------|-----------------------|---------------|----------|
| Gross Carrying Amount (Considered Good) | Note -5 | - | 242.83 | 10.82 | 1,523.55 | 1,777.20 |
| Expected Credit Losses (Loss Allowance Provision) | | - | - | - | 1,111.87 | 1,111.87 |
| Carrying Amount of Trade Receivables (Net of Impairment) | | - | 242.83 | 10.82 | 411.68 | 665.33 |

As at March 31, 2021

(₹ in lakhs)

| Ageing | Note reference | Upto 1 year | Between 1 and 2 years | Between 2 and 3 years | Above 3 years | Total |
|--|----------------|-------------|-----------------------|-----------------------|---------------|----------|
| Gross Carrying Amount (Considered Good) | Note -5 | - | 213.26 | 15.99 | 1,510.76 | 1,740.01 |
| Expected Credit Losses (Loss Allowance Provision) | | - | - | - | 726.08 | 726.08 |
| Carrying Amount of Trade Receivables (Net of Impairment) | | - | 213.26 | 15.99 | 784.68 | 1,013.93 |



Reconciliation of Loss Provision – Trade Receivables

(₹ in lakhs)

| Reconciliation of Loss Allowance | Loss allowance |
|---|-----------------|
| Loss allowance as on April 1, 2020 | 606.36 |
| Impairment Loss Recognised | 119.72 |
| Reversal | - |
| Loss allowance on March 31, 2021 | 726.08 |
| Impairment Loss Recognised | 385.79 |
| Reversal | - |
| Loss Allowance on March 31 2022 | 1,111.87 |

C: High Credit Risk

(₹ in lakhs)

| Particulars | Note reference | Period | Carrying Amount | Impairment | Carrying Amount net of Impairment Provision |
|----------------------------------|----------------|-----------------------------|-----------------|------------|---|
| Trade Receivables | Note -5 | As at March 31, 2022 | 1,013.53 | 864.98 | 148.55 |
| | | As at March 31, 2021 | - | - | - |
| Other Financial Assets - Current | Note -8 | As at March 31, 2022 | - | - | - |
| | | As at March 31, 2021 | - | - | - |

(B) Liquidity Risk

The Company's principal sources of liquidity are Cash and Cash Equivalents which are generated from Cash Flow from Operations. The Company has no outstanding Bank Borrowings. The Company Consider that the Cash Flows from Operations are sufficient to meet its current liquidity requirements.

Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity Companyings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

(₹ in lakhs)

| As at March 31, 2022 | Note reference | Up to one year | More than one year | Total |
|---|----------------|-----------------|--------------------|----------|
| Trade Payable | Note -13 | 4,385.96 | 480.29 | 4,866.26 |
| Earnest Money & Security Deposits and Lease Liability | Note -14 | 1,118.04 | - | 1,118.04 |
| Total | | 5,504.01 | 480.29 | 5,984.30 |

| As at March 31, 2021 | Note reference | Up to one year | More than one year | Total |
|-----------------------------------|----------------|-----------------|--------------------|----------|
| Trade Payable | Note -13 | 3,859.78 | 662.62 | 4,522.40 |
| Earnest Money & Security Deposits | Note -14 | 970.73 | - | 970.73 |
| Total | | 4,830.51 | 662.62 | 5,493.13 |

(₹ in lakhs)

| Particulars | Note Reference | March 31, 2022 | March 31, 2021 |
|-------------|----------------|----------------|----------------|
| Investments | | - | - |

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

(₹ in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 |
|------------------------------|----------------|----------------|
| Price Sensitivity:- | - | - |
| Price increase by 3% - FVTPL | | |
| Price decrease by 3% - FVTPL | | |

Capital Management

The Company's objectives when managing capital are to:-

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt (net debt comprises of borrowings less cash and cash equivalents). Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio.

(₹ in lakhs)

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------|----------------|----------------|
| Equity Share Capital | 300.00 | 300.00 |
| Other Equity | 2,996.52 | 2,845.40 |
| Total Equity | 3,296.52 | 3,145.40 |

The Company has no outstanding funded debt as at the end of the respective years. Accordingly Company has NIL Capital gearing ratio as at March 31, 2022, March 31, 2021.

Note 37

Relationship with struck off companies

Details of transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

(₹ in lakhs)

| Name of struck off Company | Nature of transactions with struck off Company | Transactions during the year March 31st, 2022 | Balance outstanding as on 31st March 2022 | Relationship with the Struck off company, if any, to be disclosed |
|---|--|---|---|---|
| Dev Facility Management Private Limited | Payable | - | 94,886.00 | Contractor (Creditor) |
| Net 4 Network Services Limited | Payable | - | 5,684.00 | Contractor (Creditor) |
| I Vision System Pvt Ltd | Payable | - | 1,174.00 | Contractor (Creditor) |
| | Total | - | 1,01,744.00 | |



Details of transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

(₹ in lakhs)

| Name of struck off Company | Nature of transactions with struck off Company | Transactions during the year March 31st, 2021 | Balance outstanding as on 31st March 2021 | Relationship with the Struck off company, if any, to be disclosed |
|---|--|---|---|---|
| Dev Facility Management Private Limited | Payable | - | 94,886.00 | Contractor (Creditor) |
| Net 4 Network Services Limited | Payable | 5,684.00 | 5,684.00 | Contractor (Creditor) |
| I Vision System Pvt Ltd | Payable | 1,174.00 | 1,174.00 | Contractor (Creditor) |
| | Total | 6,858.00 | 1,01,744.00 | |

Note -38

Events After Balance Sheet Date

- Proposed Dividend Rs. 8.33 per share on face value of Rs. 10 per share (Previous year Rs.12.50 per share on face value of Rs.10 per share).
- Shri Arun Kumar Sharma has been appointed as Director w. e. f. 19.04.2022

Note- 39

Revenue from Contracts with Customers :

Significant changes in Contract Assets and Liabilities :

a) Movement of Contract Liabilities - Advances from Customers

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2022 | As at Mar 31, 2021 |
|---|----------------|--------------------|--------------------|
| Opening balance of Contract liabilities | Note 15 | 813.62 | 452.00 |
| Less: Amount of Revenue Recognised against Opening Contract Liabilities | | 813.62 | 452.00 |
| Add: Addition in Balance of Contract Liabilities for Current Year | | 1,247.84 | 813.62 |
| Closing balance of Contract liabilities - Advances from Customers | | 1,247.84 | 813.62 |

b) Contract Liabilities - Deferred Income (Revenue Received in Advance):

Invoicing in excess of revenue recognised is classified as revenue received in advance. Any amount previously recognised as revenue received in advance is recognised to revenue on satisfaction of the performance obligation over the construction period.

Movement of Contract Liabilities - Project Management Consultancy (PMC)

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|----------------|--------------------|--------------------|
| Opening balance of Contract liabilities | | - | - |
| Add: Amount of Revenue Recognised Reversed on Transition | | - | - |
| Add: Net Addition in Balance of Contract Liabilities for Current Year. | | - | - |
| Closing balance of Contract liabilities | | - | - |

c) Contract Liabilities - Security Deposit & Retention Money:

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|----------------|--------------------|--------------------|
| Opening balance of Contract liabilities - Security deposit & Retention Money | | 970.73 | 835.22 |
| Less: Amount of unwinding reversed during the year | Note 14 | - | |
| Less : Deletion in the balance of Contract Liabilities for Current Year | | 619.75 | 744.03 |
| Add: Addition in balance of contract liabilities for current year | | 767.07 | 879.54 |
| Closing balance of Contract liabilities - Security deposit & Retention Money | | 1,118.04 | 970.73 |

d) Contract Assets - Unbilled Revenue:

Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Revenue in excess of billing is recorded as unbilled revenue and is classified as a contract asset. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

Movement of Contract Assets - Unbilled Revenue:

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2022 | As at Mar 31, 2021 |
|--|----------------|--------------------|--------------------|
| Opening Balance of Contract assets - Unbilled Revenue | | - | - |
| Less: Amount of Revenue Reversed on Transition | | - | - |
| Add: Net Addition in Balance of Contract Assets for Current Year | | - | - |
| Closing Balance of Contract assets - Unbilled revenue | | - | - |



e) Contract Assets - Security Deposit & Retention Money with Clients:

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2022 | |
|---|----------------|--------------------|---------|
| | | Non-Current | Current |
| Opening Balance of Contract assets - Security deposit & Retention Money with Clients | | - | - |
| Add: Amount of Discounting Reversed on Transition | | - | - |
| Add: Net Addition in balance of contract assets for current year | | - | - |
| Closing Balance of Contract assets - Security deposit & Retention Money with Clients | | - | - |

(₹ in lakhs)

| Particulars | Note Reference | As at Mar 31, 2021 | |
|---|----------------|--------------------|---------|
| | | Non-Current | Current |
| Opening Balance of Contract assets - Security deposit & Retention Money with Clients | | - | - |
| Add: Amount of Discounting Reversed on Transition | | - | - |
| Add: Net Addition in balance of contract assets for current year | | - | - |
| Closing Balance of Contract assets - Security deposit & Retention Money with Clients | | - | - |

f) Revenue Recognised in relation to Contract Liabilities :

Disclosure pursuant to para 116(b) & (c) of Ind AS 115 in respect of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods are as below:

(₹ in lakhs)

| Particulars | For the year ended on March 31, 2022 |
|---|--------------------------------------|
| Amounts included in Contract Liabilities at the Beginning of the year | - |
| Performance obligations Satisfied in Previous Years | - |
| Total | - |

g) Disclosure pursuant to para 116(a) of Ind AS 115 Assets and Liabilities related to Contracts with Customers

(₹ in lakhs)

| Particulars | Note Reference | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------|----------------------|----------|----------------------|----------|
| | | Non-Current | Current | Non-Current | Current |
| Contract Assets Related to Sale of Service: | | | | | |
| Unbilled Revenue | | - | - | - | - |
| Trade Receivables | Note - 5 | - | 3,711.40 | - | 4,093.23 |
| Security Deposit & Retention Money | | - | - | - | - |
| Contract Liabilities related to Sale of Service: | | | | | |
| Advance from customers | Note - 15 | - | 1,247.84 | - | 813.62 |
| Revenue received in advance | | - | - | - | - |
| Security deposit, if any | Note - 14 | - | 1,118.04 | - | 970.73 |
| Revenue Received in Advance :- | | | | | |
| – Project Management Consultancy (PMC) | | - | - | - | - |
| – Real Estate | | - | - | - | - |
| – Engineering, Procurement and Construction (EPC) | | - | - | - | - |

(h) Performance obligations and remaining performance obligations :

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, such as changes in the scope of contracts, periodic revalidations, terminations, adjustment for revenue that has not materialized as at the reporting date.

Revenue from PMC contracts are recognized upon satisfaction of Performance obligation. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of the contract. In case of contracts which are in nature of cost plus contracts/fixed contracts, revenue is recognised on the basis of percentage completion method and the consideration is to be recognised at transaction price/fair value. For Project Management and supervision related services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation.



Note -40

Ratio Analysis and its elements[#]

| Ratio | Numerator | Denominator | FY 2021-22 | FY 2020-21 | % Variance | Reason for variance |
|----------------------------------|--|---|------------|------------|------------|---|
| Current Ratio | Current Assets | Current Liabilities | 1.17 | 1.16 | 0.39% | |
| Debt-equity ratio | Total Debt | Shareholder's Equity | - | - | | |
| Debt service coverage ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | NA | NA | | |
| Return on equity ratio | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity | 13.23% | 34.89% | -62.08% | Profit has been reduced due to in crease in ECL in Current FY by Rs.2.66 Cr. Over previous year |
| Inventory turnover ratio | Cost of goods sold | Average Inventory | NA | NA | | |
| Trade receivables turnover ratio | Total sales | Average Trade Receivable | 119.84 | 90.50 | 32.42% | Rs.43.62 Crores of bills (36% of Total VWD of FY 2021-22) raised in Mar 2022, which are likely to be realise in First Qr of FY 2022-23. |
| Trade payables turnover ratio | Total purchases | Average Trade Payables | 169.88 | 108.67 | 56.33% | Increase in Avg Trade Payables by more than 25% over previous year and at the same time reduction in cost of works by 19.43%. |
| Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | 39.49 | 27.20 | 45.18% | Reduction in Sales (approx 19% as compared to previous year) and at the same time increase in Cash and cash equivalent resulting in increase in Working capital |
| Net profit ratio | Net Profit | Net sales = Total sales - sales return | 3.59% | 6.51% | -44.89% | Profit has been reduced due to in crease in ECL in Current FY by Rs.2.66 Cr. Over previous year |
| Return on capital employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 18.57% | 38.79% | -52.13% | Profit has been reduced due to in crease in ECL in Current FY by Rs.2.66 Cr. Over previous year |
| Return on investment | Interest (Finance Income) | Investment | NA | NA | | |

[#]Based on the requirements of Schedule III

Other Disclosures

- The company has not been declared a Wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful defaulters issued by the RBI
- There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The company has not traded or invested in Crypto currency or virtual currency during the reporting periods.
- The company has neither advanced, loaned or invested fund nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.

- (v) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (vi) The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (vii) The company has not entered into any scheme of arrangement in terms of section 230 to 237 of the Companies Act, 2013.

Note -41

Ind AS 116 'Leases'

Movement in Lease Liability

(₹ in lakhs)

| Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|----------|----------------------|----------------------|
| Balance at the Beginning as on 31st March, 2021 | | - | - |
| Additions | | - | - |
| Accretion of interest | | - | - |
| Deletions | | - | - |
| Payment of Lease Liability | | - | - |
| Total Lease Liability as on 31st March, 2022 | | - | - |

(₹ in lakhs)

| Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------------|----------|----------------------|----------------------|
| Current Lease Liability | | - | - |
| Non-Current Lease Liability | | - | - |
| Total | | - | - |

Contractual maturities of lease liabilities

(₹ in lakhs)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--------------------------|----------------------|----------------------|
| Within 1 year | - | - |
| 1-3 years | - | - |
| More than 3 years | - | - |
| Total | - | - |

(₹ in lakhs)

| Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|----------|----------------------|----------------------|
| Recognition exemptions: | | | |
| Leases of low value assets | | - | - |
| Leases with remaining lease term of less than 12 months | | - | - |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due

- (ii) Practical expedients applied



In applying Ind-AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- a) The use of a single discount rate to a portfolio of leases with reasonably similar characteristics.
- b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- c) The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease and excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- d) Applied the practical expedient to grandfather the assessment of transactions lease. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company has total commitment for short-term leases of NIL amount as at 31st March, 2022 (NIL as at 31st March, 2021)

Note -42

Regrouping / Reclassified

Previous year figures have been regrouped and/or reclassified, wherever, necessary to conform to those of the current year grouping and/or classification. Negative figures have been shown in brackets.



NBCC SERVICES LIMITED

(A Government of India Enterprise)

Regd. Office: NBCC Centre, Ground Floor, Plot No.2,

Community Center, Okhla Phase -1, Delhi -110020

CIN-U74900DL2014GOI272532

Website: www.nslindia.in | **E-mail:** nsl@nbccindia.com

Contact: 011-45661608, 45721410

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain addition Slip at the venue of the meeting

DIP ID*

Folio No.

Client ID*

No. of shares

Name and address of the shareholders

I hereby record my presence at the 8th ANNUAL GENERAL MEETING of the Company held on Friday, September 16, 2022 at 12.45 p.m. at NBCC Bhawan, Lodhi Road, New Delhi 110003.

.....
Signature of Member/Proxy

*Applicable for investors holdings shares in electronic form



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MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | |
|-------------------------------|------------|
| Name of the member (s): | e-mail Id: |
| Folio No/ DP Id*, Client Id*: | |
| Registered Address: | |

I/We, being the member(s), holding.....shares of NBCC Service Limited, hereby appoint.

- 1 Name..... Resident of.....having e-mail idor failing him
- 2 Name..... Resident of.....having e-mail idor failing him
- 3 Name..... Resident of.....having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 8th Annual General Meeting of the Company to be held on September 16, 2022 (Friday) at 12:45 P.M. Indian Standard Time ("IST"), at NBCC Bhawan, Lodhi Road, New Delhi -110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Ordinary Business Resolutions | For | Against |
|--|-----|---------|
| 1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Comments of Comptroller and Auditors General of India thereon. | | |
| 2. To declare a final Dividend of Rs 8.33 per paid up equity shares of Rs. 10/- each for the financial year ended March 31, 2022. | | |
| 3. To appoint a Director in place of Shri Mukat Bihari Singhal (DIN 07282642), who retires by rotation and being eligible, offer himself for re-appointment. | | |
| 4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the FY 2022-23 to be appointed by the Comptroller and Auditors General of India. | | |
| Special Business | | |
| 5. To regularize the appointment of Shri Arun Kumar Sharma (DIN 09375700) as Director of the Company. | | |

Signed thisday of 2022

Signature of Shareholder.....

Signature of Proxy holder(s).....

Notes:

- 1 This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2 For the Resolutions, please refer to the Notice of the 08th Annual General Meeting.
- 3 This is only optional. Please put '(v)' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- 4 Please complete all details including details of member(s) in above box before submission.

*Applicable for investors holding shares in electronic form.

Affix
Revenue
Stamp

[illegible]

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



NBCC SERVICES LIMITED

(A wholly owned subsidiary of NBCC (India) Limited)

Regd. Office: NBCC Centre,
Ground Floor, Plot No. 2,
Community Center, Okhla Phase-1,
Delhi South Delhi-110020