

63rd ANNUAL REPORT 2019-20



OHT at SAI Bangalore



*Border Flood Lighting,
Tripura*



*Maulana Azad
Cricket Stadium, Jammu*



*Sir Arthur Cotton
Barrage across river
Godavari in A.P.*

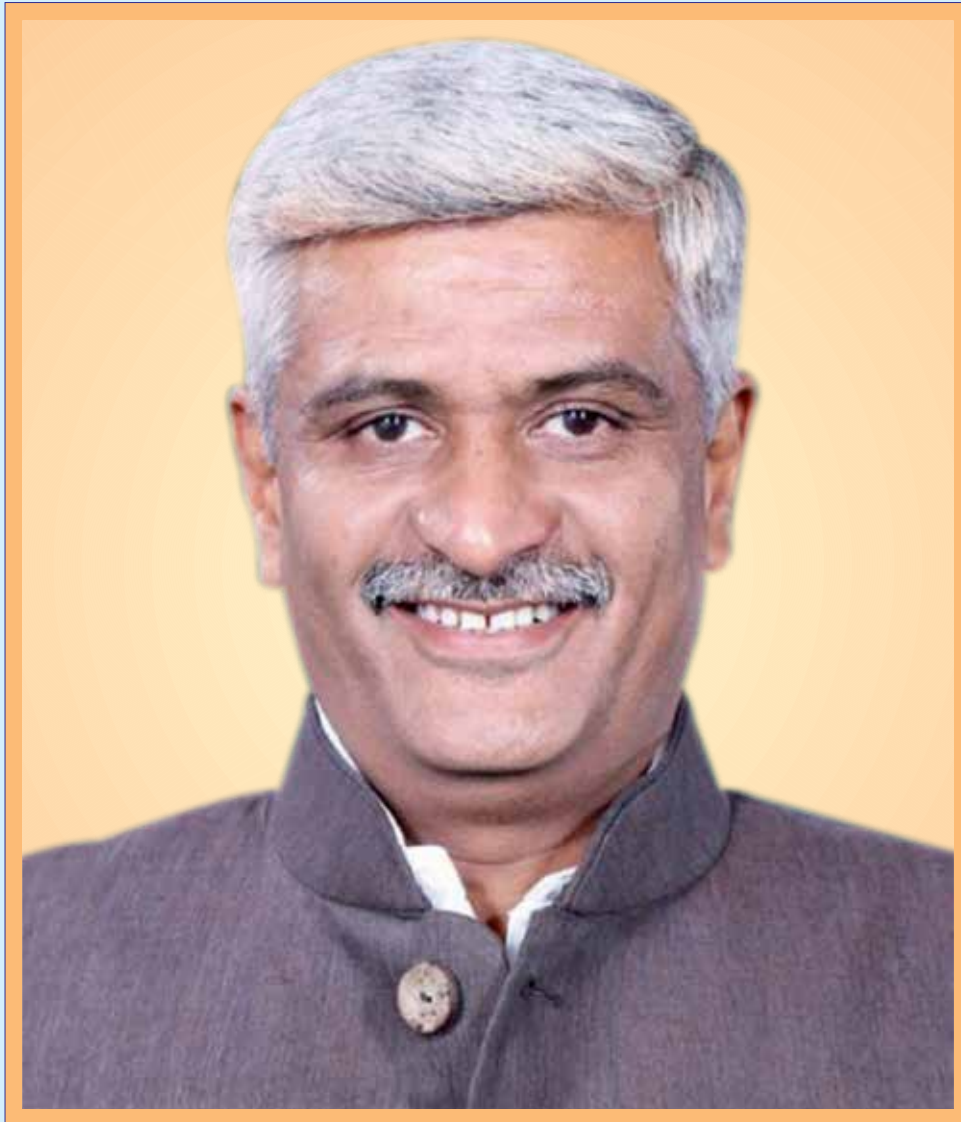


NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED

A Subsidiary of WAPCOS Ltd.
A Government of India Enterprise



Corporate Office Building, Gurugram



Shri Gajendra Singh Shekhawat

Hon'ble Minister

Ministry of Jal Shakti
Government of India



Shri Rattan Lal Kataria
Hon'ble Minister of State
for Jal Shakti and Social Justice & Empowerment
Government of India

**Department of Water Resources,
River Development and Ganga Rejuvenation,
Ministry of Jal Shakti,
Government of India**



Shri Pankaj Kumar
Secretary (D/o WR, RD & GR)



Ms. Debashree Mukherjee
Additional Secretary



Shri Jagmohan Gupta
Joint Secretary &
Financial Advisor



Shri Subodh Yadav
Joint Secretary
(Admin, IC & GW)



Shri Sanjay Awasthi
Joint Secretary
(RD & PP)

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Vision

"To become a premier Organization, implementing engineering projects."

Mission

"To achieve a turnover exceeding Rupees 1500 crores with positive net worth by 2021-22 by focusing value addition at all points of interaction with our clients and continuously enhancing capabilities of organization and employees through innovations."



BOARD OF DIRECTORS

(As on 31-12-2020)



Ms. Debashree Mukherjee
Chairperson & Managing Director



Shri Manohar Kumar
Director (Engg.)



Shri Pankaj Kapoor
Director (Finance)



Shri Jagmohan Gupta
JS & FA, MOWR, RD & GR
Govt. Nominee Director



Shri Anupam Mishra
Director (Commercial & HRD)
WAPCOS Limited
Govt. Nominee Director

NPCC at a Glance

INTRODUCTION

NPCC Limited, a “Mini Ratna-I” Central Public Sector Enterprise under the aegis of Ministry of Jal Shakti was incorporated on 9th January 1957 under the Companies Act, 1956. It is engaged in Engineering, Construction, Planning, operation & Project Management Consultancy. The organization operates in Industrial Infrastructure, Thermal, Hydro Power Projects, Tunneling & Underground Projects, Railways, Highways, Surface Transport Projects, Dams, Townships & other Residential Buildings, Institutional Buildings, Office & Sports Complexes, Bridges & Flyovers, Real Estate Works, Weirs, Barrages, Border Road & Fencing, Hospitals & Health Sector Projects, Environmental Engg., Flood Lighting Works, etc.

During the last five years NPCC has completed Construction of Border Out-Posts (BOPs), Roads & Fencing Works for Ministry of Home Affairs (MHA), Construction of various buildings for Assam Rifles, PMGSY Road Works at different locations in Bihar, Jharkhand, Paschim Medinipur, West Bengal, Construction of flood lighting works for MHA, Development and Construction of various buildings for Indira Gandhi National Tribal University Campus at Amarkantak (M.P), Completion of Expansion Chamber, Ventilation Shaft & Excavation of Penstock Appurtenances under Hydro Electric Project at Hathiyari, Uttarakhand, National Institute of Electronics & Information Technology (NIELIT) Works, Construction of Office Building of Punjab & Sind Bank (P&SB) at Gurugram, Rehabilitation/Development Works of Ghats and Crematoria under NMCG Works, Construction and Renovation of Sports Infrastructure Facilities for Maulana Azad Stadium, Jammu (J&K), Boys Hostel & New Academic Building at Rajiv Gandhi National Institute of Youth Development at Sriperumbudur, Post Graduate Institute and 100 & 200 Bed Hospitals for Yoga and NATUROPATHY, Nagamangala, Mandya district, Karnataka.

VISION

“To become a premier Organization, implementing engineering projects.”

MISSION

“To achieve a turnover exceeding Rupees 1500 crores with positive net worth by 2021-22 by focusing value addition at all points of interaction with our clients and continuously enhancing capabilities of organization and employees through innovations.”

OBJECTIVES OF THE CPSE

1. To ensure customer satisfaction through :
 - ◆ Execution of projects within schedule & cost, while maintain quality,
 - ◆ Adhering to Specifications & conditions of Contract,
 - ◆ Ensuring improvement through customer feedback.
2. Achieving Turnover Target as per MOU
3. Securing Business to maintain Work Order Book position around three times of Turnover.
4. Realizing old dues maximally and quickly for improving financial position of NPCC.
5. Continuous capacity building of officers.
6. Continuous organizational re-structuring and diversification as required, with focus on Business, Profitability and Customer satisfaction..
7. Maintaining ISO 9001 – 2015 based Quality Management Systems in all areas of activity.
8. Improving quality standards by introducing standard operating procedure in all spheres of governance

FIELDS OF SPECIALISATION

- ◆ Townships & other residential buildings
- ◆ Tunnels & underground projects
- ◆ Hydro-electric power projects
- ◆ Canals & Irrigation System
- ◆ Thermal power projects
- ◆ International Projects
- ◆ Industrial structures
- ◆ Surface transport
- ◆ Barrages
- ◆ Dams

REGISTRATION WITH INTERNATIONAL ORGANISATIONS

NPCC is empanelled with World Bank, Asian Development Bank, African Development Bank and EXIM Bank of India for LoC Projects in other countries.

HUMAN RESOURCE

Team NPCC with its motivated and skilled manpower has grown by leaps and bounds, overcoming all kinds of obstacles in its over 64 years of existence. NPCC has reached a towering stature with meaningful contribution of its employees. NPCC is offering integrated services from concept to commissioning. The organization is involved in 'Swachh Bharat Abhiyan' wherein various plantation drives, cleaning of Ghats, awareness programmes, etc. are held in various parts of India.

ISO CERTIFICATION

NPCC Limited complies with ISO 9001:2015 parameters. The organization is contributing to nation's development by successfully completing projects, while ensuring quality and economy.

STRUCTURAL CHANGES

Government of India has strategically disinvested NPCC Limited by selling its entire shareholding comprising of 98.89% paid up capital to WAPCOS Limited; a Mini-Ratna-I accredited Public Sector Enterprise under the same Ministry of Jal Shakti, Department of Water Resources, RD & GR. By virtue of this acquisition, NPCC has become subsidiary of WAPCOS Limited.



Academic Building for National Institute of Homeopathy, Kolkata

OUTLOOK

NPCC successfully executed several overseas projects and complies with Quality Management requirements of **ISO 9001-2015** for execution of:

Civil Works for:

- ◆ Thermal & Hydro Electric Projects
- ◆ Hospitals & Health Sector Projects
- ◆ Tunnels & Underground Projects
- ◆ River Valley Projects
- ◆ Industrial Structures
- ◆ Environmental Projects
- ◆ Heritage Projects

Project Management Consultancy services for:

- ◆ Buildings
- ◆ Housings
- ◆ Roads
- ◆ Bridges
- ◆ Infrastructure Projects

NPCC operates in the diverse fields of projects.

NPCC is currently executing

- ◆ Construction of Kendriya Vidyalaya Sangthan (KVS) schools in various locations.
- ◆ Construction of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH) Institute at Sarita Vihar, Silchar, Shillong, Kolkata, Jaipur, Jhajjar & Nagamangala.
- ◆ Construction of Slum Board Dwelling Units in Bellary City Karnataka.
- ◆ Construction of Pradhan Mantri Awas Yojana (PMAY) at Jamshedpur, Jharkhand.
- ◆ Central Agricultural University (CAU) Works in North Eastern States.
- ◆ Navodaya Vidyalaya works at various locations.

- ◆ Assam Rifles establishments at different locations in North Eastern States.
- ◆ Hydro Electric Power Project in Uttarakhand.
- ◆ Various ST & SC Development Deptt. Works under Govt. of Odisha.
- ◆ Building at Dwarka for Central Excise Department.
- ◆ Development of Amenities for Archaeological Survey of India (ASI).
- ◆ Works under Rajendra Prasad Agriculture University PUSA.
- ◆ National Highways and Infrastructure Development Corporation Limited (NHIDCL) works in Sikkim.
- ◆ Construction of Software Technology Parks of India (STPI) Infrastructure.
- ◆ Construction of up-gradation of ITI at Jabalpur, Rewa, Shahdol & Sagar.
- ◆ Hydro Engineering College in Himachal Pradesh.
- ◆ Development of tourist facilities at Mantalai Sudhmahadev Patnitop in J&K (Ministry of Tourism).
- ◆ Indian Agricultural Research Institute (IARI) works in Assam.
- ◆ Swadesh Darshan Yojna at Uttar Pradesh.
- ◆ Different works of Regional Institutes for National Institute of Electronics & Information Technology (NIELIT) in North Eastern States.
- ◆ Rajiv Gandhi National Institute and Youth Develop. At Sriperumbudur (T.N.).
- ◆ Guru Ghasidas University (GGU) at Bilaspur (C.G.).
- ◆ Seismological Research Lab., Karad for Ministry of Earth Sciences (Maharashtra).

Inauguration by Hon'ble Minister of Jal Shakti of Admin cum Academic & Hostel block and Campus Development for RGNGWT&RI, Naya Raipur:-





Inauguration by Hon'ble Minister of Jal Shakti of Brahmaputra Board, NEHARI Campus at Guwahati :-



Brahmaputra Board Works, NEHARI, North Guwahati, Assam:-



Inauguration of CCRYN Yoga & Naturopathy Hospital, M/o of AYUSH, Karnataka:-



Buildings for Post Graduate Institute and 100 & 200 Bed Hospitals for Yoga and Naturopathy, Nagamangala, Mandya district, Karnataka:-



Admin Block



General Ward



Attender Quarters



Bachelor Quarters

Inauguration of CCRYN Yoga & Naturopathy Hospital, Jhajjar Haryana :-



OPD Admin Block



View of CCRYN Project

Construction of Agricultural Management Building and L-Shape Girls hostel at Pusa campus under Dr. R.P.C.A.U., Pusa :-



SAI Solalgaon Works, North Lakhimpur, Assam :-



Seismological Research Laboratory at Karad, Maharashtra:-



National Institute of Electronics & Information Technology (NIELIT) Works at Various locations :-



NIELIT CCPUR, Manipur



NIELIT Jorhat Site Ladies Hostel

Permanent Integrated COY Level Building at BOP Lukung, Leh (J&K) :-



Inauguration by Hon'ble Minister of State for Youth Affairs & Sports of Infrastructural Facilities at SAI centre in Maharashtra :-



Inauguration by Hon'ble Minister of State for Youth Affairs & Sports of Boys Hostel & New Academic Building at Rajiv Gandhi National Institute of Youth Development at Sriperumbudur :-



Sports Infrastructure Facilities for Maulana Azad Stadium, Jammu (J&K) :-



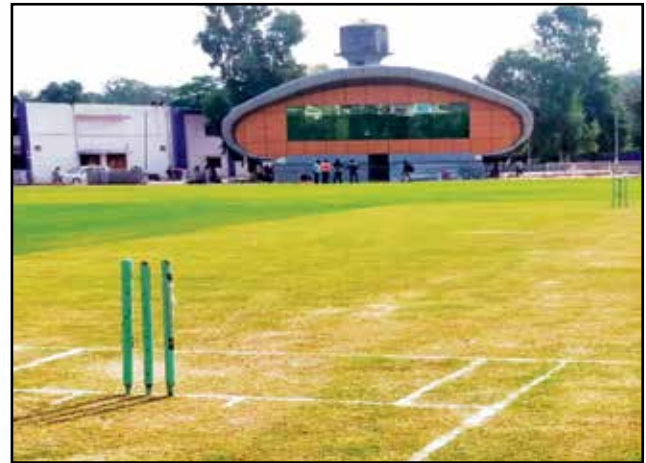
The project has been inaugurated by Hon'ble Lt. Governor, Jammu & Kashmir, Shri Girish Chanrda Murmu



Maulana Azad Stadium, Jammu (J&K)

Inauguration of Cricket pitch and VIP Galary by Hon'ble Minister State for Youth Affairs & Sports for KV- Delhi Cantt :-





Cricket pitch - KV Delhi Cantt



Night View of Leh Palace (ASI)



Man Mahal (U.P.) Illumination

The Corporation has completed the following projects during last 5 years.

- ◆ Construction of Border Out-Posts (BOPs), Roads & Fencing Works for Ministry of Home Affairs (MHA).
- ◆ Construction of various buildings for Assam Rifles.
- ◆ PMGSY Road Works at different locations in Bihar, Jharkhand, Paschim Medinipur, West Bengal.
- ◆ Construction of flood lighting works for MHA.
- ◆ Development and Construction of various buildings for Indira Gandhi National Tribal University Campus at Amarkantak (M.P).
- ◆ Completion of Expansion Chamber, Ventilation Shaft & Excavation of Penstock Appurtenances under Hydro Electric Project at Hathiyari, Uttarakhand.

- ◆ Dolaithabi Barrage, Manipur.
- ◆ National Institute of Electronics & Information Technology (NIELIT) Works.
- ◆ Construction of Office Building of Punjab & Sind Bank (P&SB) at Gurugram.
- ◆ Rehabilitation/Development Works of Ghats and Crematoria under NMCG Works.
- ◆ Construction and Renovation of Sports Infrastructure Facilities for Maulana Azad Stadium, Jammu (J&K).
- ◆ Boys Hostel & New Academic Building at Rajiv Gandhi National Institute of Youth Development at Sriperumbudur.
- ◆ Post Graduate Institute and 100 & 200 Bed Hospitals for Yoga and Naturopathy, Nagamangala, mandya district, Karnataka.

Roads:

NPCC in past successfully executed internal and external Roads for Power Projects, Township, Steel Plants, District Roads, Rural Roads under Pradhan Mantri Gram Sadak Yojana (PMGSY) in Bihar, Jharkhand, West Bengal. NPCC is also executing major road works for Indo-Bangladesh Border Fencing works in Assam, Meghalaya, Tripura and Mizoram.

- ◆ Indo Bangladesh Border fencing and road works for MHA.
- ◆ Construction of BOPs along Indo Bangla Border for MHA.
- ◆ Construction/ Upgradation of existing road to 2-lane with paved shoulder from Ranipool to Pakyong of NH-717-A under SARDP-NE Phase 'A', (Sikkim) for National Highways and Infrastructure Development Corporation Limited (NHIDCL).
- ◆ PMGSY Roads works in Bihar, Jharkhand, Uttarakhand and West Bengal.

NPCC has been awarded the work of PMGSY work in 8 circles in Uttarakhand. NPCC had completed more than 3491.13 Km Road in five Districts of Bihar Commissioned under PMGSY in Bihar Zone, Patna. In addition NPCC is executing PMGSY Road works in various Districts of Jharkhand State and West Bengal.

Roads under PMGSY Works in Uttarakhand



Champawat



Munsiyari

NHIDCL 2-Lane Road Works (Sikkim)



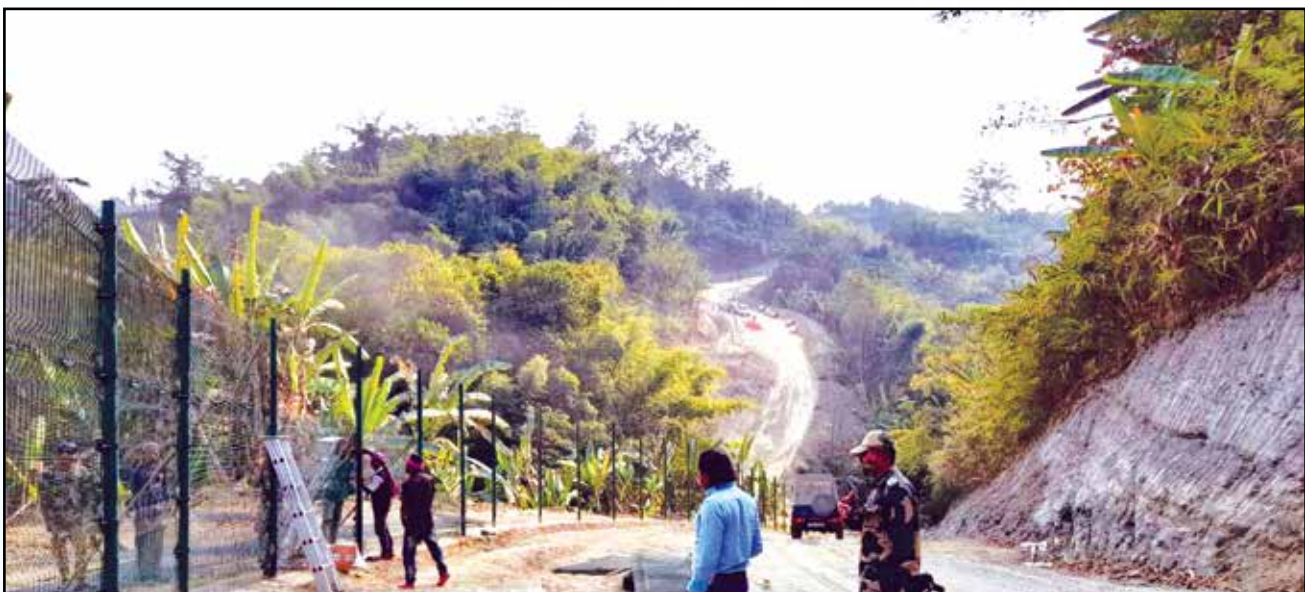
Border Fencing:

NPCC has been actively associated in the field of Border management works of fencing and construction of Border roads. In addition to work already awarded, the Ministry of Home Affairs has further entrusted the work of flood lighting on nomination basis. In addition to the above the Ministry of Home Affairs has entrusted the Construction and repair/maintenance of new and existing Border out Posts. Corporation has deployed resources and efforts to complete the work within the schedule time which is an achievement considering its remoteness and militancy prone area. NPCC has today made the area total accessible having network of road along the border fencing, where, there were no accessibility.

NPCC is executing following works for the Ministry of Home Affairs in the North Eastern Region:

1. Construction of Fencing in Tripura, Mizoram, Meghalaya and Assam mostly in insurgency prone area.
2. Construction of Flood Lighting along Indo Bangladesh Border in the state of Meghalaya and Tripura.
3. Construction of Border out Posts along Indo Bangladesh Border in the state of Assam, Meghalaya, Mizoram Tripura and West Bengal.

INDO-BANGLADESH BORDER ROADS AND FENCING



INDO-BANGLADESH BORDER FLOOD LIGHTING :-

The excellent performance of NPCC encouraged MHA (GoI) for the construction of Border Flood Lighting of Tripura & Meghalaya. NPCC has kept its performance intact & completed Border Flood Light Work of 675 Km in Tripura and 340 Km in Meghalaya. The Border Flood Light is helping BSF to have 24 hrs vigil over insurgent groups & illegal migrant of Bangladesh.



BOP works in Mizoram, Tripura, Meghalaya & West Bengal :-



BOP GOMUKH



BOP Siliguri



BOP BARMISE



BOP BARDUP

**Rehabilitation/Development Works of Ghats and Crematoria under NMCG Works:-
Mahajantoli to Ram Ghat Bathing Ghat :-**



Sarkanda Bathing Ghat



Mangal Hatt Bathing Ghat



Maskalaiya Cremation Ghat

Hydro Electric Sector:

NPCC is the pioneer builder for the construction of Hydro Electric Power Projects in India for the last five decades. NPCC has significant contribution for generation of clean power by constructing HEP's in India. NPCC took up first project in this field with construction of Nepal Power House in 1966. The works of construction of HRT, Surge Shaft & penstock for Maneribhali Hydro Electric Project for Uttaranchal Jal Vidyut Nigam has been completed.

HYDRO ELECTRIC PROJECT AT HATHIARI



Power House



Pressure Shaft & TRC

Barrages

Barrage is an important structure to tap the vast water resource for irrigation, flood control, inland navigation, water supply etc. NPCC ventured into construction of Barrages in 1957 with Wazirabad barrage across river Yamuna at Delhi and completed in one working season which is a milestone for any Organization.

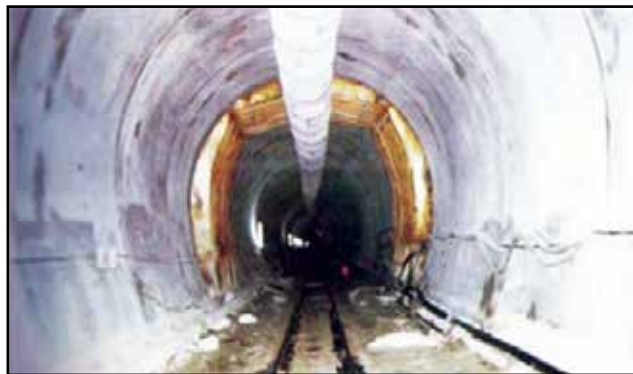


Dolaithabi Barrage, Manipur

Head Race Tunnel, Surge Shaft & Penstock for Maneri Bhali Hydroelectric Project, Uttarkashi



Surge Shaft



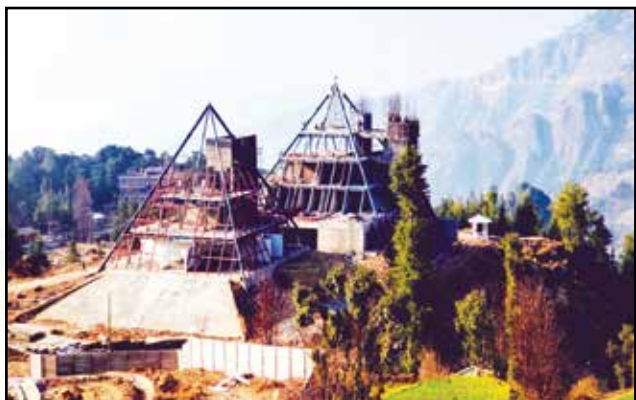
Head Race Tunnel

Public Health Engineering (PHE) & Environment:

NPCC has contributed towards environment friendly Public Health Engineering Projects since its inception. NPCC started with deep sewer lines and water supply related works in Delhi during early 60s. During the period under report, Storm Water Surface Drain for Bangalore Mahanagar Palika has been executed. The major works undertaken include:

- ◆ Sewerage system at Thiruvananthapuram for Kerala Water Authority
- ◆ Laying trunk sewer at Gwalior city for M.P. PHE Department.
- ◆ Water Treatment Works at Bagalkot in Karnataka.
- ◆ Laying trunk sewer lines for 11 km at Shadara for Delhi Jal Board, Delhi.
- ◆ Integrated Water Supply Scheme at Singrauli, UP for Central Coal Fields.
- ◆ Design, construction and commissioning of 22.5 MLD Water Treatment Plant at Talchar for IWSS Phase-II.

Development of Tourist Facilities at Mantalai, Shudhmahadev and Patnitop:-



Tourist Facilitation and Yoga Centre



Meditation Enclave & Polyhouses



Heliport and Helicopter Shelter



Eco Log Huts

Development of Parks at NSEZ, Noida:-





Solid Waste Management System in NSEZ, Noida



CHAIRPERSON'S MESSAGE



Dear Distinguished Shareholders,

It gives me immense pleasure to welcome you all to this 63rd Annual General Meeting of your Company. The 63rd Annual Report for the year 2019-20 comprising Directors' Report, with Annexures of Management Discussion and Analysis Report, Report on Corporate Governance, Report on Corporate Social Responsibility and Sustainability, Audited Annual Accounts, Independent Auditors' Report, have been placed before you. I have been entrusted with the additional charge of CMD w.e.f. 1st October 2020 after the cessation of tenure of Shri R.K. Gupta. I shall also update you on the strategic outlook and outline the roadmap for the Company's future growth.

These three months that I have spent here, have re-affirmed my belief in the potential and promise of NPCC as a leading player in the construction sector in India and the role it will play in the emergence of New India. I consider it an honor to place before you the Annual Report for the Financial Year ending 31st March 2020.

I am happy to announce that the Financial Year 2019-20 remained reasonably satisfying in terms of business growth and profitability. This year has been full of challenges with the slow growth in construction sector and unprecedented health crisis posed by the COVID-19 pandemic. However, we will put in special efforts to overcome these challenges and emerge stronger.

During the year 2019-20 your Company has secured new works valuing Rs.3140 crore against the target of Rs. 6500 crore fixed by the Holding Company for **“Excellent”** rating. The Corporation has secured the new business through tendering to the tune of 60% The effective order book position is Rs. 9456.62 crore as on 31st March, 2020. The ongoing pandemic has impacted the existing orders, but reduction in interest rates, lower prices, credit-linked subsidies, and reduction in taxes and duties are likely to support the construction sector going forward.

NPCC resumed construction activity in various parts of the country, following exemptions in lockdown procedures. Social distancing norms are followed at sites. Safety and sanitation is ensured. Reviving the entire supply chain was an industry challenge. Keeping up the proactive spirit, NPCC was among the first few PSUs to restart the work at site.

As per the govt. guidelines issued from time to time, NPCC complied with the preventive measures to be taken to contain the spread of COVID19. Accordingly, the major steps that were taken were preparation of Roster plan, implementation of work from home, sanitization provision, AarogyaSetu app installed and updated by employees.

During the year 2019-20, your Corporation has earned an operating turnover of Rs. 1309.20 crore as against Rs. 1013.52 crore last year. The Corporation has earned the profit before tax of Rs. 45.49 crore as against Rs. 22.54 crore in previous year. Net Profit for the year 2019-20 is Rs. 19.29 crore as against Rs. 13.96 crore last year.

MoU were signed between CMD, NPCC and Zonal Managers with an objective of fixing targets of Turnover, New Business, Operating profit, Reduction in Debtors/Trade Receivables and other parameters to facilitate the growth of the company.

Your company has adopted an Online Project Monitoring system (OPMS) for the planning, scheduling, monitoring and control of approved projects under implementation. The OPMS addresses all stages of project implementation, from concept to commissioning. Video conference facility is extensively utilized for project tracking, issues resolutions and management interventions.

During the year 2019-20, your Company has undertaken; Construction/Renovation of 44 Nos. Toilets along the Ganga Ghat at Simariya in Begusarai District, Bihar; Providing Water Purifier-Cum Water Cooler System under Swachhta Hi Sewa Plastic free Campaign in Koraput District, Odisha and Work executed by different zones under Monthly Swachhta Campaign activities & Swachhta Pakhwada.

CSR has been synonymous with Company's core business of Construction. The Company's spirit of caring and sharing is embedded in its mission statement. NPCC endeavors to set benchmark in social responsibility. The Company has always shared its success with the communities and societies.

In the current pandemic situation, NPCC has played an exemplary role in helping the government, communities and people at large to fight the virus. You will be glad to know that all our employees contributed three days salary (Rs. 40 Lakhs) towards PM Caresfund as a humanitarian gesture to fight against the unprecedented Pandemic outbreak.

Focus areas of your Company's CSR & Sustainability activities are Health, Sanitation, Safe Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure livelihood creation and support through innovative agriculture & livestock development, support to Physically Challenged Person (PCPs) and activities contributing towards Environment Sustainability. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighbourhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability. Preference for CSR & Sustainability activities is given to local areas around Company's operations, ensuring that majority CSR funds are spent for activities in local areas.

During the year under review, the Company has been graded as "Excellent" for the year 2019-20 by the DPE on the compliance of its guidelines on Corporate Governance for CPSEs.

With the improvement of financial health of the Company, your Company is planning to take major projects in EPC mode as well as enter into execution of projects in foreign countries. I would also like to add that our efforts should not only be physical and financial progress but should create a positive environment.

NPCC is making all possible efforts to simulate the growth model of the holding company WAPCOS Limited by providing efficient services to its customers within the framework of time, cost and quality.

With a formidable combination of people, projects and processes, and a proven track-record of unblemished execution spanning over six decades, with cutting-edge technological advances in machines and material - all converging into a renowned, dynamic and agile organization, NPCC is looking ahead with confidence and conviction to play its role in building a New India. I believe the best is yet to come! Thank you for your sustained faith and trust in NPCC.

NPCC, I believe that people are our finest and most valuable assets. Our talent pool comprises of some of the best talent across engineering, construction, architecture, project management and other faculties.

DPC was conducted and promotions were done. NPCC has ensured training programs for its employees to develop their skills.

I take this opportunity to express my sincere gratitude to the members of the Board of Directors for their proactive participation in the Company affairs and for their valuable guidance in contributing their might towards growth of the company.

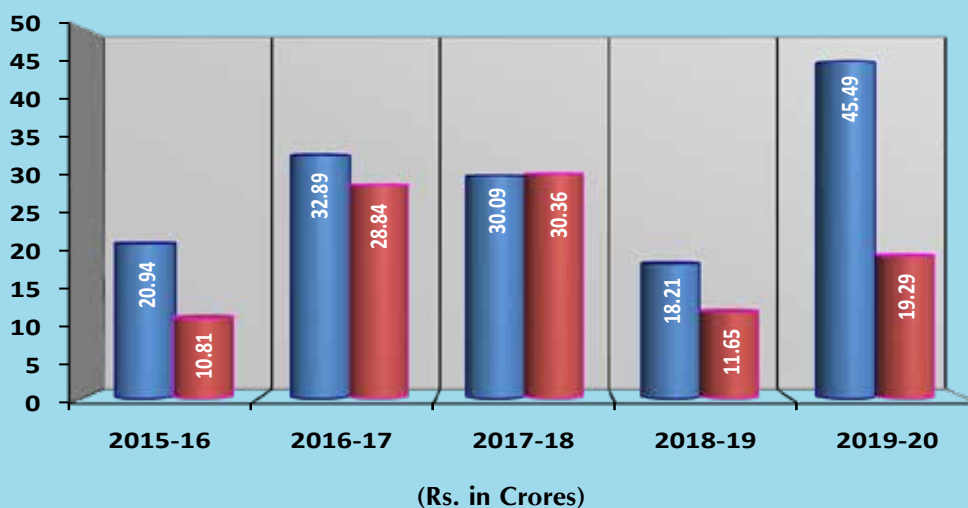
I express my gratitude and sincere thanks to the Hon'ble Minister of Jal Shakti, Department of Water Resources, RD & GR, Hon'ble State Ministers of Water Resources, RD & GR, the Secretary & the Jt. Secretary (FA) and other line officers in the Ministry for providing valuable guidance and support. I also thank all officers in the Ministry of Water Resources, RD & GR and other Ministries especially Ministry of Home Affairs, Ministry of Ayush, Ministry of Rural Development, Ministry of Sports and Department of Public Enterprises, without whose help it would have not been an easy journey for achieving the goal. I also thank the Comptroller & Auditor General of India, Statutory Auditors, Branch Auditors and other professionals associated with the Company for their valued contribution.

On behalf of the Board of Directors and Management, I would like to place on record the sincere appreciation to the dedicated work done by the employees of the Company and the support extended by WAPCOS Limited, the Holding Company.

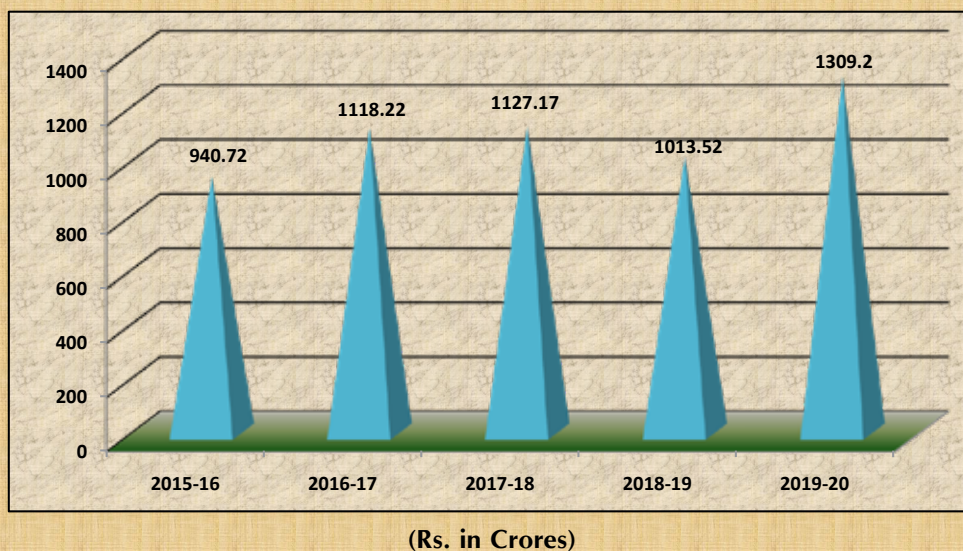
DEBASHREE MUKHERJEE
CHAIRPERSON & MANAGING DIRECTOR
DIN No. 06374549

Place: New Delhi

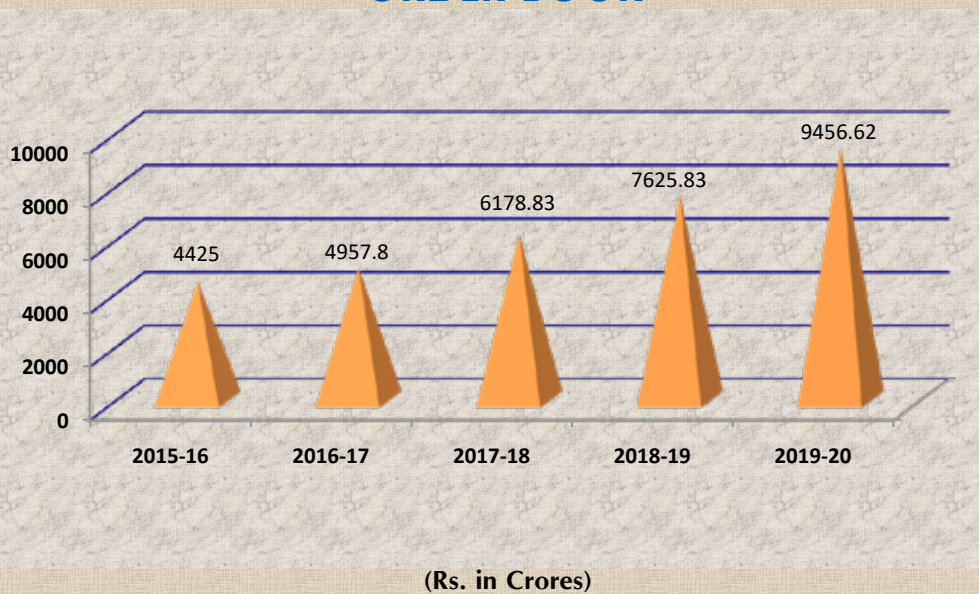
PBT Vs PAT



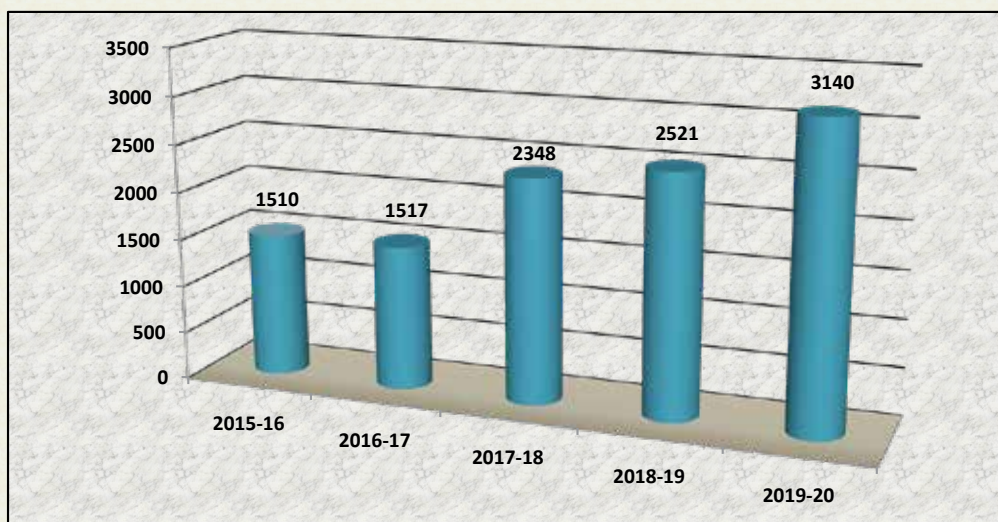
TURNOVER FROM OPERATION



ORDER BOOK

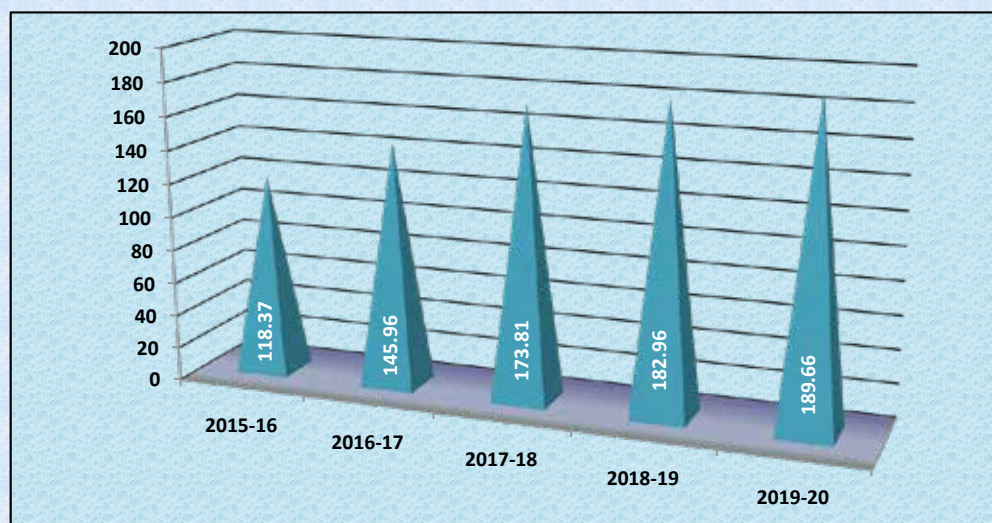


NEW BUSINESS



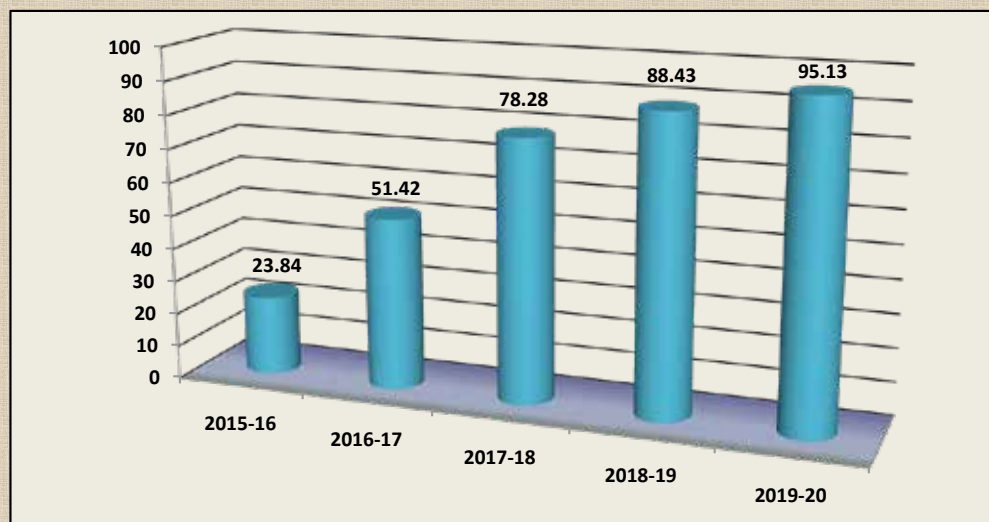
(Rs. in Crores)

NET WORTH



(Rs. in Crores)

RESERVES AND SURPLUS



(Rs. in Crores)

DIRECTOR'S REPORT

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 63rd Annual Report together with audited accounts of the Company for the year ended 31st March, 2020.

FINANCIAL SUMMARY AND HIGHLIGHTS

Your Company has earned a profit before tax of Rs. 45.49 Crores as against Rs. 22.54 Crores in the previous year. Profit after tax is Rs. 19.29 Crores as against Rs. 13.96 Crores during the previous year. The summarized financial results of the Company are given below:

(In Rs. Crores)

Particulars	2019-20	2018-19
Turnover including Gross other income	1356.46	1052.59
Operating Turnover	1309.20	1013.52
Profit / (loss) for the year before tax	45.49	22.54
Profit/(loss) after Tax	19.29	13.96

- Previous years figures have been re-grouped wherever necessary.

SHARE CAPITAL

Authorized Capital and Paid-up Capital of your Company at the end of the financial year is Rs. 700 crores and Rs.94.53 crores respectively.

NET WORTH

Your Company's net worth as on March 31, 2020 was Rs. 189.66 crore as against Rs. 169.85 crores in the previous year.

TRANSFER TO GENERAL RESERVE

Transfer to General Reserve is not mandatory as per Companies Act, 2013 and as such the Company has not transferred any amount to General reserve.

STRATEGIC DISINVESTMENT

Government of India has strategically disinvested NPCC Limited by selling its entire shareholding comprising of 98.89% paid up capital to WAPCOS Limited; a Mini-Ratna-I accredited Public

Sector Enterprise under the same Ministry of Jal Shakti, Department of Water Resources, RD & GR. By virtue of this acquisition, NPCC has become subsidiary of WAPCOS Limited.

TRANSFER OF MANAGEMENT CONTROL

Ministry of Jal Shakti, Department of Water Resources entrusted the additional charge for the post of CMD, NPCC to Shri R.K. Gupta, CMD, WAPCOS w.e.f 11.06.2019 upto 30.09.2020. Shri Anupam Mishra, Director (Commercial & HRD)-WAPCOS Limited was appointed as Govt Nominee Director on the Board of NPCC Limited w.e.f. 13.08.2019. After the transfer of management control, Diagnostic Analysis of the Company was done in the key performance areas of Business Development, Project Implementation, Financial Management, Internal Control Systems, Human Resources Development, Corporate Governance, Infrastructure and Brand Building. Accordingly changes were made in the systems, and there was significant improvement in turnover and increase in the Profitability of the Company. The Company also registered a jump in the Order Book position. The Company strategized into diverse areas by registering with EXIM Bank, ADB and World Bank

QUALITY MANAGEMENT SYSTEM

The Quality Management System of NPCC conform to the requirement of the standard **ISO 9001:2015** with respect to execution of Civil work for Thermal and Hydro Electric Projects, River Valley projects, Industrial Structures, Project Management Consultancy Services for Buildings, Housing, Roads, Bridges and Infrastructural Projects.

STATUS OF MINI-RATNA-I

“Miniratna - Category -I” status was conferred to NPCC Limited by Ministry of Water Resources, RD & GR on 05.11.2018.

BUSINESS DEVELOPMENT SCENERIO

During the year 2019-20, your corporation has secured new works valuing Rs.3140 crores against the target of Rs.6500 crores fixed by the Holding Company for **Excellent** rating out of which Corporation has secured the new business through tendering to the tune of 60% The effective order book position is Rs. 9456.62 crore as on 31st March, 2020 as against Rs. 7625.83 crore during previous year.

During the year, your corporation had maintained the pace of improvement in terms of quality & speedy implementation of works allotted including the works of MHA in NE states, PMGSY in the state of Uttarakhand, Building works for Assam Rifles in North Eastern Region, Border Outpost, Border Flood Light, Border Fencing along Indo Bangladesh Border for MHA, ITBP Leh etc on PMC basis.

NPCC likes to secure more works from EMRS (MoTA), Railway Board, JUIDCO, JNV/NVS, MHA, ST&SC works etc.

Further NPCC has made effort to secure works from new clients and some overseas projects. During the Year, Your Corporation has added the following new clients.

1. Railways
2. EMRS, MoTA

Your Company is aggressively attempting to secure business in different locations and International locations like CONGO (DRC) in Central Africa to achieve optimum utilization of existing resources.

To achieve the Business in Liberia (Water supply for Monrovia) the meetings and efforts are going in fruitful directions with LWSC and Exim Bank.

BUSINESS STRATEGY

1. Proactive approach with constant touch and liaison with clients.
2. Introduction of computerized project management & monitoring system.
3. Increasing client base by adding new clients.
4. Diversifying in new areas having synergy with the present line of business.

NPCC is completing its project on time with quality and within approved cost and achieving greater customer' satisfaction. This enabled the company in securing repeat orders.

CONSTRUCTION SAFETY MANAGEMENT

In NPCC, safety and health are accorded the highest importance and are integral to the manner in which we conduct our business. The company has put in place a robust system for safety management and Safety policy that incorporates standard operating procedures, instructions, safe methods of work and work permit system.

At NPCC we believe in prioritizing safety and health of our people and incorporating this as a value. Safety is embedded across the organization and is an integral part of how we conduct our business. It is our continuous effort to make it a safe place. During recent years, effective implementation of the safety measures has been undertaken to minimize the cases of accidents and aims to achieve zero harm in forthcoming times.

MOU WITH THE MINISTRY

As per the guideline issued from DPE, NPCC is exempted to sign MoU with the Ministry.

CORPORATE GOVERNANCE

Your Company is committed to practice Corporate Governance in conducting business in a legal, ethical and transparent manner. The Company believes that good corporate governance practices leads to creation of wealth for all stakeholders in the long term. Your Company has been complying with the Corporate Governance Guidelines issued by Department of Public Enterprise (DPE) and submit compliance report to Administrative Ministry i.e. Ministry of Jal Shakti, Department of Water Resource, RD & GR, on quarterly basis within stipulated time. Your Company's corporate governance practices have been recognized and awarded. During the year, the Company has been graded as **"Excellent"** for the year 2019-20 by the DPE on the basis of Self Evaluation Report on the compliance of guidelines on Corporate Governance for CPSEs.

Management Discussion and Analysis Report and Report on Corporate Governance are annexed in this Director's Report.

HUMAN RESOURCE DEVELOPMENT

Team NPCC with its motivated and skilled manpower has grown by leaps and bounds, overcoming all kinds of obstacles in its over 64 years of existence. NPCC has reached a towering stature with meaningful contribution of its employees. NPCC has restructured the Zonal Offices keeping in view the business development, projects in hand and optimum utilization of manpower, which has in turn been economical for the Corporation. A comprehensive order regarding Uniform code of conduct was issued.

A large number of grievances related to gratuity have been settled resulting in huge savings for NPCC. For the increased cost of medical treatment and to enable employees to take care of their health and dependent family members, the Medical Scheme has been revised and implemented in totality. DPC was conducted and promotions were done. NPCC has ensured training programs for its employees to develop their skills. It maintains amicable, healthy and harmonious relations with its employees. Women's Day is celebrated annually as a gesture towards their contribution and recognition. NPCC also encourages employees to attain higher qualification for career growth and advancement. Meritorious performers are awarded so as to boost their morale. Many workmen have been deployed to CWC for optimum utilization of manpower.

LEARNING AND DEVELOPMENT

In order to keep pace with the dynamic & competitive business scenario, the employees of NPCC are sent for training to enhance their skills. They are encouraged to attend seminars, workshops, etc in their relevant fields to keep up with the changing needs of the organization. Over 100 man days of training was imparted to employees during the FY 2019-20. The topics

on which training was given is diverse, ranging from capacity building on GeM procurement, recent development under GST regime, recent changes under Companies Act, Transparency Audit software, International Arbitration and global best practices, RTI Act, etc. The employees are sent for skill development to prestigious institutions like ASCI, SCOPE, IIC, etc. Under Skill Sathi Counselling Scheme of Ministry of Skill Development & Entrepreneurship, NPCC has counseled over 90,000 students studying in various schools and colleges across India.

WOMEN DEVELOPMENT

For women empowerment, women employees are sent for training that is organized by prestigious organizations. Woman's Day is organized for their empowerment and for boosting the morale of the women employees. Many women employees are holding responsible positions in the organization. In the executive cadre, there were 11% female employees as on 1.4.2020.

SAFEGUARD OF WOMEN AT WORKPLACE

In order to provide safe working condition to women, NPCC has a well defined Internal Complaints Committee, which looks after complaints of women employees regarding sexual harassment in NPCC. The Committee sends its annual report to the Ministry as well. For the period of Jan., 2019-Dec., 2019, no complaint of sexual harassment was received and no case is pending for more than ninety days. The Committee has an NGO member as well.

EMPLOYEE WELFARE

NPCC promotion policy was amended. Promotion of over 80 employees was carried out. Online HRMS is under process. Public Grievances/VIP Reference are being settled promptly. Meritorious performers are awarded so as to boost their morale. For the increased cost of medical treatment and to enable employees to take care of their health and dependent family members, the Medical Scheme has been revised and implemented in totality. Policy regarding uniform has also been revised. To bring uniformity and to promote harmony among the employees at all levels, Rs. 8000/- as token of appreciation and gratitude to all employees superannuating after rendering 15 years or more in the Corporation.

TALENT ACQUISITION

To meet the shortfall in manpower, recruitment on regular basis in many disciplines is done, thereby generating employment. Reservation for reserved categories in these recruitments is well taken care of, as per Govt. guidelines. Manpower on contractual basis has also been engaged on need basis. In FY 2019-20, there were over 200 persons engaged as Engineers/Support staff etc. on contractual basis.

EMPLOYEE STRENGTH

As on 1.4.2020, there were around 544 employees on the rolls of NPCC, at the close of the financial year, with details as under:

DESCRIPTION	MALE	FEMALE	TOTAL
Executive	198	25	223
Non-Executive	106	6	112
Workmen	205	4	209
Total	509	35	544

Besides, in FY 2019-20, there were over 200 persons engaged as Engineers/Support staff etc. on contractual basis.

SCHEDULED CASTE, SCHEDULED TRIBE AND OTHER BACKWARD CLASSES

NPCC strives to protect the interests of the reserved categories. NPCC has a Liaison Officer for each of the reserved categories, viz., SC/ST, OBC and PwD. In selection committees, reserved categories are well represented. In direct recruitment also, vacancies for reserved categories are kept as per Govt. directives.

INDUSTRIAL RELATIONS

Industrial relations remained amicable, healthy and harmonious in FY 2019-20. The concerns of employees are well addressed with regular interactions with employees at all levels. WAPCOS, together with NPCC, has contributed over Rs. 2crores towards PM Cares fund as a humanitarian gesture to fight against the unprecedented Pandemic outbreak.

NPCC IN LOCKDOWN

As per the govt. guidelines issued from time to time, NPCC complied with the preventive measures to be taken to contain the spread of COVID19. Accordingly, the major steps that were taken were preparation of Roster plan, implementation of work from home, sanitization provision, Aarogya Setu app installed and updated by employees. The employees smoothly tuned down to working in the changed environment and are striving to successfully achieve the new normal.

NPCC resumed construction activity in various parts of the country, following exemptions in lockdown procedures. Social distancing norms are followed at sites. Safety and sanitation is ensured. Reviving the entire supply chain was an industry challenge. However, keeping up the proactive spirit, NPCC was among the first few PSUs to restart the work at site. This gave impetus

to the economic activity as well. The major works that resumed pan-India were at CSIR-IIIM site in J&K, Pradhan Mantri Gram Sadak Yojana (PMGSY) & Hathiyari project in Uttarakhand, STPI work in Himachal Pradesh, Hostels in Pusa at New Delhi, ITI in M.P., ASI, STPI and NSEZ works in UP, RGI and GGV in Bilaspur, Pradhan Mantri Awas Yojana (PMAY), and KV works in Jharkhand. WAPCOS, together with NPCC, has contributed over Rs. 2 crores towards PM Cares fund as a humanitarian gesture to fight against the unprecedented Pandemic outbreak.

IMPLEMENTATION OF OFFICIAL LANGUAGE

In accordance with Official Language policy of the Government, Corporation continued to make constant efforts for the implementation of the provision of Official Language Act and rules framed there under. Special thrust was given to provide Unicode based Hindi typing facility on every computer and hence, employees were encouraged to use Hindi in their daily official work on computers.

To enhance the use of Official Language various incentive schemes were continued during the year including special incentive Scheme for children of NPCC employees. Those securing higher percentage of marks/grades in Hindi at Secondary and Senior Secondary level Examinations, were given awards.

During the year Hindi Divas/Hindi Fortnight was observed from 14th September to 28th September 2020 at corporate level. An appeal was issued from the CMD Desk wherein officers/employees of NPCC Limited were requested to do their official work in Hindi. Various competitions focusing Hindi were organized at Corporate Office which include Hindi Typing Competition, Hindi Poetry Recitation Competition and Hindi Translation Competition in which officers/staff actively participated. A Hindi workshop on available E-tools was also held virtually during Hindi Fortnight.

The Second Sub-Committee of Committee of Parliament on Official Language carried out inspection of NPCC Limited Gurugram Office on 7th November 2020 to review progressive use of Hindi in official works.

VIGILANCE ACTIVITIES

NPCC's Vigilance Division is headed by Shri Ashish Kumar, Chief Vigilance Officer, working towards creation of fair, transparent, justice policies and cordial atmosphere. Our vision is to bring excellence in execution of Projects through improvement in systems and by curtailing wastage and irregularities for a corruption free environment. It has been continuously endeavoring for ensuring strict compliance of CVC guidelines to achieve the Goal with special emphasis on Preventive Vigilance.

CVO, NPCC acts as an advisor to the CMD, NPCC in all matters pertaining to vigilance. He is also the nodal officer of NPCC for interaction with CVC and CBI. CVO's functions can broadly be divided into three categories, as under: -

- (i) Preventive vigilance
- (ii) Punitive vigilance
- (iii) Surveillance and detection.

Whistle Blower Policy

NPCC Vigilance Division has a sound Whistle Blower Policy to improve transparency and fight corruption, with provisions to protect the persons making public interest disclosure related to an act of corruption or misuse of power or criminal offences.

The Chief Vigilance Officer of Ministry is authorised to act as the designated Authority to receive written complaint or disclosure on any allegation of corruption or misuse of office by any employee.

NPCC Vigilance Division follows the provisions which have been made for protection of Whistle Blowers in Accordance to the PIDPI Resolution.

The CVC supervise and monitor the complaints received by the designated authority and a report on PIDPI complaints including cases of alleged harassment / victimisation received by the CVO of NPCC are being sent to the Commission by the CVO of Ministry.

Internal Control Systems and their Adequacy

CVO of NPCC makes regular and routine inspections, surprise inspections; audit and reviews keep a check on aberrant and corrupt behaviour.

NPCC Vigilance Division scrutinise internal and external audit reports to ensure the Preventive vigilance including audit report of the C&AG to check whether any cases of misconduct or corruption are revealed in them. In all such cases, immediate action are being initiated against the public servants concerned through the standard practice of referring vigilance cases to CVC.

Upgradation of Quality Management System

Vigilance Division, NPCC sustain and maintain the highest standard of Quality Management System in Anti-corruption services in conformity with the Policies / Guidelines of Government of India, CBI, CVC and NPCC, with Trust, Integrity, Efficiency and Timely completion of tasks.

Vigilance Division, NPCC while complying with the statutory and regulatory requirements, shall establish and continually strive to improve Quality Management System to facilitate a conducive

environment for enabling employees to work with integrity, impartiality, accountability & efficiency, in a fair & transparent manner, taking risk based approach as a key factor, upholding highest ethical standards to facilitate NPCC in becoming a world class organization.

Conduction of CTE Type inspection during 2019-20

Vigilance Division, NPCC conducted the CTE Type inspection as per statutory requirements. These inspections are also meant for quality assurance, proper maintenance of record and proper execution of projects. The inspection was carried out for the work of establishment of National Institute of Homeopathy (NIH) Phase-II, Kolkata.

Observance of Vigilance Awareness Week 2019

Vigilance Awareness week was observed in NPCC as per Central Vigilance Commission Circular No. 049/VGL/029 dated 02.08.2019, from **28th October to 02nd November, 2019** with the theme **“Integrity – A way of life”** and commenced with the integrity pledge by public servants on 28th October at 11:00 A.M. NPCC was assigned Faridabad / New Delhi for outreach activities in Colleges and Schools.

The brief of the activities carried out for observance of Vigilance Awareness Week-2019 are as below:-

- ◆ Integrity Pledge was taken by Officials of NPCC at all the Units, Zones, Registered Office and Corporate Office.
- ◆ After completion of the Pledge, the In-charge of various Zones sensitized the employees on the theme “Integrity – A way of life” and also Anti-Corruption measures to be taken.
- ◆ Employees were also told to take e-integrity pledge.
- ◆ Banners / Posters about the Vigilance Awareness with the theme “Integrity – A way of life” were displayed at all the Units, Zones, Registered Office and Corporate Office of NPCC.
- ◆ Banners were also displayed at various public places and during the Essay Writing / Poster Competitions at the School / College / NGO.
- ◆ Essay Writing Competition was held at Bengaluru, Faridabad and New Delhi.
- ◆ Poster Competition was held at New Delhi.
- ◆ Interactive Sessions were held at Bengaluru, Faridabad and New Delhi.
- ◆ Prizes were distributed at Colleges, Schools and NGOs to motivate the Students on being the winners of the Competition.

- ◆ After the Competitions / during the prize distribution at various places, Officers addressed the participants about importance of combating corruption in various walks of public life.

System Improvement Undertaken

- ◆ The Vigilance Division made efforts to formulate a system, Standard Operating Procedures for e-tendering, NITs and Tendering Procedures, Recruitment & Promotion Process and Monitoring of Projects.
- ◆ Details of Contract awarded during the financial year were uploaded on NPCC website as per CVC guidelines.
- ◆ Emphasis on enhanced usage of IT in office workings and uploading of circulars on the NPCC website. Development & Design of website was emphasized to follow Guidelines for Indian Government Website.
- ◆ The complaints are dealt in accordance with CVC Guidelines. Efforts are being made to obtain the documents/information from various Divisions for speedy disposal of vigilance cases and bringing down the pendency level.
- ◆ Continuous liaison was done in-house and with CVC and Ministry of Jal Shakti, Department of Water Resources, RD & GR for quick disposal of the cases.
- ◆ Vigilance Clearance was not given to persons who failed to submit the IPR by due date and this gave a message to all the employees for timely submission of IPR.

Submission of reports by NPCC Vigilance

- ◆ The Monthly, Quarterly and Annual Reports of the Vigilance Division were sent to CVC and Ministry regularly and timely.
- ◆ PIDPI quarterly returns were submitted regularly and timely.
- ◆ Annual return of Foreign Visits by NPCC Employee was submitted on time.

RIGHT TO INFORMATION ACT

In order to maintain accountability and transparency, RTI Act 2005 is duly followed in NPCC. There is an Appellate Authority-I and a CPIO in the Company to address information sought under RTI. Both offline and online appeals and applications are handled by them respectively. NPCC information is uploaded on NPCC website for access to all citizens.

As a part of Transparency Audit, for FY 2019-20, Self appraisal report was submitted timely. During FY 2019-20, 114 RTI applications and 24 appeals were replied. Quarterly reports of the same are also uploaded on CIC website promptly. Mandatory disclosures under Sec 4(1)(b) are well taken care of.

PROJECT MANAGEMENT AND CO-ORDINATION

Dy. General Manager (PM&C) is heading independent division at corporate level to monitor the all running projects and providing necessary support for execution of projects. Division is also exhibiting the yearly performance review of corporation in front of Hon'ble Minister/ Secretary, Ministry of Jal Shakti (MoJS).

PMC Division also interacts with different Ministries (including MoJS, DoWR, RD & GR), State Govt. and Central Government agencies/ regulatory bodies regarding various issues pertaining to the corporation as well as implementation of projects within sanction cost and schedule time adhering specifications.

MoU with Zonal Managers is also get signed between CMD, NPCC and Zonal Managers with an objective of fixing targets of Turnover, New Business, Operating profit, Reduction in Debtors/ Trade Receivables and other parameters to facilitate the growth of the company. The MoU is kept as Performance criteria regarding the working of the corporation and Zonal Offices. Division look after progress of Works on weekly/monthly basis for all Zonal Offices (Turnover, Business Development, receivables and other related matters of Zones) as per MoU targeted for the year.

PMC Division is organising monthly Zonal Manager's meeting to have comprehensive one to one interaction of all the Zonal Managers with our CMD/other senior officers regarding progress of work as per MoU targets & various important issues of the zone. These meeting provide necessary inputs for enhancement of complete working of corporation. Zonal Managers are interacted regularly through Video Conference for the slow progress or deficiency of compliance of government laws or any irregularity in the working. Quarterly progress of work in respect of MoU is also reviewed by Board of Directors of Corporation.

Your company has adopted an Online Project Monitoring system (OPMS) for the planning, scheduling, monitoring and control of approved projects under implementation. The OPMS addresses all stages of project implementation, from concept to commissioning.

Video conference facility is extensively utilized for project tracking, issues resolutions and management interventions. PMC has helped in providing effective coordination between the agencies and has provided enhanced/ efficient monitoring of the projects leading to better and faster project execution.

RISK MANAGEMENT POLICY

The Company has Board approved Risk Management Policy, which contains, inter alia, Risk areas identified and Action Plan suggested for mitigation of identified risks. Heads of Departments and Zonal In charge are responsible for implementation of the Risk Management Policy as applicable to their respective areas of functioning.

PARTICULARS OF EMPLOYEES

No employee received remuneration during 2019-20, either equal to or in excess of the limits prescribed under rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The detail of particulars required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 are Nil.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB SECTION (3) OF SECTION 178

MCA vide notification No. GSR 463 (E) dated 05th June, 2015 has exempted the Government Companies from applicability of provisions of Section 178(3) of the Companies Act, 2013

REMUNERATION POLICY OF DIRECTORS, KMPS AND SENIOR MANAGEMENT-SECTION 178(4)

MCA vide notification No. GSR 463 (E) dated 05th June, 2015 has exempted the Government Companies from applicability of provisions of Section 178(4) of the Companies Act, 2013

A STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

MCA vide notification No. GSR 463 (E) dated 05th June, 2015 has exempted the Government Companies from applicability of above provision. The appointment of the functional Directors, Government Nominee Directors and Independent Directors of your Company is made by the Government of India. Their terms and conditions of appointment as well as tenure of all Directors are also decided by GOI and there is a well laid down procedure for evaluation of Functional Directors as well as of Government Directors by the Administrative Ministry. Also the performance of the Board of the Government Companies is evaluated during the performance evaluation of the MOU signed with the Government of India. Further, MCA vide its notification dated July 5, 2017 has amended Schedule IV to the Companies Act, 2013 with respect to performance evaluation of Directors of the Government Companies, and exempted certain class of Directors.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contract and/or arrangements with related parties during the year 2019-20

LOAN, GUARANTEES OR INVESTMENTS BY COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given or taken any loan, guarantee or has not made any investment falling under section 186 of the Companies Act, 2013 during the year 2019-20.

EXTRACTS OF THE ANNUAL RETURN

Extract of Annual Return of the Company has been hosted at NPCC website at www.npcc.gov.in.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Report on Management Discussion and Analysis is annexed to this report.

COMPLIANCE OF SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

NUMBER OF MEETINGS OF BOARD

The Information on number of meetings of Board held during the year, composition of Board of Directors, composition of committees of Board and their meetings held during the year, training policy of Directors have been provided in the Report on Corporate Governance, which forms part of this Directors Report

FIXED DEPOSITS

Your Company has not accepted/renewed any deposits covered under Chapter V of the Companies Act, 2013 during the year under review. As such there were no deposits which were not in compliance with the requirement of Chapter V of the Companies Act, 2013.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB SECTION (6) OF SECTION 149

Dr. Shri Ravindra K. Pande Independent Director and Dr. Jayashree Gupta, Independent Director, have given a declaration that during the year 2019-20 they meet the criteria of independence provided in section 149 (6) of the Companies Act, 2013.

COST AUDIT

Considering the nature of activities of the Company, the Order issued by the Central Government for maintenance of cost records and audit are not applicable to the Company.

BUY-BACK OF SHARES

The Company has not resorted to any buy-back of shares during the year under review.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY POLICY

CSR has been synonymous with Company's core business of Construction. The Company's spirit of caring and sharing is embedded in its mission statement. The Company has a comprehensive Policy for CSR & Sustainability in line with Companies Act, 2013 and DPE Guidelines for CSR. Focus areas of your Company's CSR & Sustainability activities are Health, Sanitation, Safe Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure livelihood creation and support through innovative agriculture & livestock development, support to Physically Challenged Person (PCPs) and activities contributing towards Environment Sustainability. The Company commits itself to contribute to the society, discharging its corporate social responsibilities through initiatives that have positive impact on society at large, especially the community in the neighbourhood of its operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability. Preference for CSR & Sustainability activities is given to local areas around Company's operations, ensuring that majority CSR funds are spent for activities in local areas.

However, considering Inclusive Growth & Environment Sustainability and to supplement Government effort, activities are also taken up anywhere in the country.

During the year 2019-20, your Company has undertaken; Construction/Renovation of 44 Nos. Toilets along the Ganga Ghat at Simariya in Begusarai District, Bihar ; Providing Water Purifier-Cum Water Cooler System under Swachhta Hi Sewa Plastic free Campaign in Koraput District, Odisha and Work executed by different zones under Monthly Swachhta Campaign activities & Swachhta Pakhwada.

A report with details of the activities and future plan for coming year is attached as annexure to the Directors' Report.

SUBMISSION OF COMPLIANCE OF MSME GUIDELINES

In accordance with DPEs Guidelines and MSMEs Guidelines issued under the Act, Corporation is following these guidelines for procurement and works. The major procurement is made through GeM portal with MSE's under tag, so as to make procurement from MSE's. NPCC had made 9.74% procurement through MSEs on GeM Portal.

IMPLEMENTATION OF GOVERNMENT e-MARKETPLACE (GeM)

NPCC had implemented government e-marketplace (GeM) from August 2017 for online purchase of goods and services. Officials have been provided training for utilizing the GeM Portal for procurement. All the procurements are made through GeM Portal only, exception for the material not available on GeM portal. During the financial Year 2019-20, procurement amounting to Rs 41.77 lakh was made through GeM Portal.

WEBLINK

The following policies may be accessed on the Company's website www.npcc.gov.in as under :

- 1) Corporate Social Responsibility Policy
- 2) Vigilance Guidelines
- 3) Risk Management Policy
- 4) Extracts of Annual Return

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, Directors of the Company confirm that:

- ◆ In preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation to material departures;
- ◆ The Directors have selected such accounting policies and applied them consistently with departures disclosed appropriately and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the statement of the Profit & Loss of the Company for that period;
- ◆ The Directors have taken proper and sufficient care of the maintenance of the 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 that such internal financial controls are adequate and were operating effectively;
- ◆ The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

For Audit of Accounts of the Corporation for the year 2019-20, M/s K.B. Chandna & Company, Chartered Accountants were appointed as Statutory Auditors. M/s V.N. Purohit & Co., Chartered Accountants, M/s Saurabh Aggarwal & Associates, Chartered Accountants, M/s Gopi Kumar Associates, Chartered Accountants are the Branch Auditors for Kolkatta, Guwahati and Chennai respectively.

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.

ACKNOWLEDGEMENT

The Directors of your Company acknowledge and appreciate the co-operation and support and guidance received from the Ministry of Jal Shakti, Deptt. of Water Resources, River Development & Ganga Rejuvenation and other Ministries and Organizations of Govt. of India and the State Governments.

Your Directors express their gratitude to CAG of India, Statutory Auditors, Branch Auditors, and Bankers' for their valued cooperation. The Board of Directors acknowledges with deep sense of appreciation, the cooperation received from Ministry of Home Affairs, Ministry of Finance, Ministry of Rural Development, Ministry of Health, Ministry of Youth Affairs & Sports, Planning Commission, Cabinet Secretariat, Department of Public Enterprises, Department of Science and Technology, Ministry of Corporate Affairs and Registrar of Companies.

Your Directors also wishes to thank consultants, contractors, sub-contractors, vendors for their contribution in implementation of various projects with the Corporation.

Your Directors also take this opportunity to place on record the sincere appreciation for the hard work and efforts put in by all the Members of the NPCC family towards the growth and progress of the Corporation.

For and on behalf of the Board of Directors

Sd/-
(DEBASHREE MUKHERJEE)
Chairperson & Managing Director
(DIN No 06374549)

Date : 31.12.2020
Place : New Delhi

REPORT ON CSR ACTIVITIES AND FUTURE PLAN

1. A brief outline of the company's CSR policy, including overview of projects or works proposed to be undertaken with reference to the CSR policy:

Your Company's obligation to maximize its positive impact on stakeholders and to minimize its negative impact of legal, ethical, economic, and philanthropic (discretionary) dimensions, as well as to create a positive and lasting social impact by mutual trust and respect by raising the standard of living of the people in and around the vicinity of project site.

NPCC's approach to CSR and Sustainability is that of leveraging its core competencies and technical capabilities in enhancing social and environmental value creation thereby adopting the "shared value" approach, wherever possible, in their routine business operations.

Vision

To contribute to inclusive growth and equitable development in our areas of operations by partnering with internal and external stakeholders and leveraging CSR for business value creation.

CSR Policy of NPCC provides for welfare measures for community and contribution to society at large by way of social & cultural development and being sensitive towards the need of socially and economically underprivileged class.

Status of CSR and Sustainability activities is placed before Board of Directors as well Board level CSR and Sustainability Committee.

2. The Composition of the CSR Committee:

In line with the provisions of Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014, NPCC has constituted a Board level Corporate Social Responsibility (CSR) and Sustainability Committee headed by an Independent Director on 24th March 2017.

Role of Board Level Committee is to-

- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and

- (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.

The Board Level Corporate Social Responsibility and Sustainability Committee was headed by Dr. Ravindra K. Pande, Independent Director. After the completion of three year tenure of Dr. Pande on 06.02.2020, the Committee is being headed by Shri Jagmohan Gupta, JS & FA in the Ministry of Jal Shakti and Part Time Govt Nominee Director on the Board of NPCC. The composition of committee as on 31st March 2020 was :

1. Shri Jagmohan Gupta, JS & FA ;Govt. Nominee Director: Chairman
2. Shri Anupam Mishra, Govt Nominee Part Time Director : Member
3. Shri Manohar Kumar, Director (Engineering) : Member

The details about meetings of the CSR & Sustainability Committee and attendance are given in Corporate Governance Report.

NPCC is also having a Below Board Level CSR and Sustainability Committee with a Nodal Officer along with team of officials, coordinating the CSR works.

3. **Average net profit of the company for last three financial years:**

The average net profit for the immediately preceding three financial years (i.e. Rs. 11.65 Crores for the year 2018-19, Rs. 30.36 Crores for the year 2017-18 and Rs. 28.84 Crores for the year 2016-17) has been Rs. 23.62 Crores.

4. **Allocated CSR Expenditure(two percent of the amount as in item 3 above):**

Allocated CSR Expenditure for the year 2019-20 was Rs. 47.23 Lakhs (2% of Rs. 23.62 Crores).

5. **Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year 2019-20 -

Total budget of Rs.108.55 Lakhs was available for undertaking CSR & Sustainability activities for the year 2019-20 which includes unspent balance of Rs. 61.32 Lakhs carried forward from previous years (already allocated for CSR activities) and Rs. 47.23 Lakhs towards allocation for 2019-20. NPCC already spent Rs. 22.72 Lakhs and implementing Rs. 22.00 Lakhs works of previous year. Three projects recently approved by the board valuing Rs. 64.91Lakhs.

- (b) Amount unspent, if any;

In compliance to DPE Guidelines on Corporate Social Responsibility and Sustainability for CPSEs, Rs. 85.83 Lakhs would be carried forward to the next

year i.e. 2020-21 towards utilization of CSR and Sustainability activities approved in 2019-20 and new works/project undertaken in 2020-21.

(c) **Detail of the approved projects/amount spent during the financial year is given as below-**

Sl. No	CSR Projects	Sector	District and State of Project coverage	Amount spent during 2019-20 (in Rs.)	Direct or through agency
1	Construction/Renovation of 44 Nos. Toilets along the Ganga Ghat at Simariya in Begusarai District	Item No. (vi) of Schedule-VII	Begusarai District, Bihar	14,09,000.00	Done through tender process
2	Financial assistance for "Organization of 15 th Annual Conference of UPUA on 10 th & 11 th Nov, 2019 to Promote Education in Regional Economic issues.	Item No. (ii) of Schedule-VII	Nainital, Uttarakhand	3,00,000.00	Direct
3	Providing Water Purifier-Cum Water Cooler System under Swachhta Hi Sewa Plastic free Campaign	Item No. (i) of Schedule-VII	Koraput , Odisha	2,83,023.00	Through Agency
4	Financial assistance for participation of Ms. Manu Pawar in "The Climate Force: Arctic 2019 Expedition.	Item No. (iv) of Schedule-VII		2,00,000.00	Direct
5	Expenses against Monthly Swachhata activities & Swachhata Pakhwada held during 2019-20	Item No. (iv) of Schedule-VII	All over India at Units, Zones & Corporate Office	80,450.00	Direct
	Total			22,72,473.00	

- A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.
- NPCC has been identifying the specific projects to spent the balance unspent amount in projects like Rain-water harvesting in Schools / Institutions, which will provide facility for making safe drinking water as well as maintaining the quality of water in future. This is as per Item No. (i) & (iv) of Schedule-VII for CSR activities to be taken with reference to Companies Act 2013.

The CSR Committee has confirmed that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

During 2019-20, the amount allocated to be spent was Rs. 47.23 Lakhs + Rs 61.32 Lakhs (unspent amount already allocated for CSR activities during 2018-19) and Total Expenditure made under CSR activities was Rs. 22.72 Lakhs. The CSR activities amounting to Rs. 22.00 Lakhs of 2018-19 and Rs. 64.91 Lakhs allocated/approved in the current year are ongoing. Accordingly, the balance unspent allocated fund under CSR is **(-) Rs. 1.08 Lakhs** (to be utilized with the budget of CSR fund of FY 2020-21).

For and on behalf of Board of Directors

Sd/-

(DEBASHREE MUKHERJEE)

Chairperson & Managing Director
(DIN No 06374549)

Sd/-

(JAGMOHAN GUPTA)

Chairman –CSR Committee
(DIN No 02858377)

Place : New Delhi

Date : 31.12.2020

REPORT ON CORPORATE GOVERNANCE

Corporate governance is set of policies and business process driven by conscience, openness, fairness, professionalism & accountability with an aim of enhancing an organization's wealth generating capacity. It is a journey towards sustainable value creation for all stakeholders through robust & transparent governance mechanism in the Company. NPCC firmly believes that sound Corporate Governance is critical for enhancing and retaining investor trust. We are committed for meeting our performance goals with ethics and good governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Our Corporate Governance philosophy has been scripted as under:

"As a good corporate citizen, our Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability besides building confidence in its various stakeholders, thereby paving the way for long term success."

The above philosophy of corporate governance entails that our governance process is devised in such a manner so as to meet aspirations of our stakeholders and expectations of the society and nation. NPCC is constantly striving to adopt emerging best practices in corporate governance. It is our endeavour to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfilment of stated goals and objectives.

CORPORATE GOVERNANCE RATING

The Company follows the guidelines of Corporate Governance issued by Department of Public Enterprises (DPE), Government of India. During the year, the Company has been graded as "Excellent for the year 2019-20 by the DPE on the basis of Self Evaluation Report on the compliance of guidelines on Corporate Governance for CPSEs.

DPE GUIDELINES

The Annual compliance report on Implementation of Policies and Guidelines issued by Department of Public Enterprises for financial year 2019-20 was sent to Ministry of Jal Shakti, Deptt. of Water Resources, RD & GR vide letter dated 26.06.2020 as per OM No. DPE/14(38)/10-Fin dated 19.01.18 and dated 17.04.2020

BOARD OF DIRECTORS

The Directors of the Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of shareholder value. The

Board reviews and approves management's strategic plan & business objectives and monitors the Company's strategic direction. The Board of Directors function in accordance with the powers delegated under the Companies Act, 2013, Memorandum & Articles of Association, Miniratna Guidelines issued by DPE and other guidelines issued by the Government of India from time to time, as may be applicable on the Company.

NPCC Limited is a Government Company as defined under Section 2(45) of the Companies Act, 2013. After acquisition of 98.89% of its paid up capital by WAPCOS Limited, which was earlier held by Hon'ble President of India, NPCC became subsidiary of WAPCOS Limited. The Board has an optimum combination of executive and non-executive Directors. The Board, as on 31.03.2020 comprised of five Directors which included (i) Three whole-time Functional Director viz., (a) CMD, (b) Director(Engg) and (c) Director(Finance) (ii) two Government Directors. The three year tenure of Two Non Official Part Time Independent Directors completed on 06.02.2020. The post of Full time Functional CMD and Independent Directors are vacant and necessary action is underway by Ministry of Jal Shakti, Deptt. of Water Resources, River Development & Ganga Rejuvenation to fill-up the positions.

The Independent Directors are usually drawn from the field of Management, Accounts and Engineering as per Article 81(c) of Articles of Association. The Nominee Directors on the Board were appointed by the Administrative Ministry of Government of India in terms of Article 81(a) of Articles of Association of the Company.

The Board of Directors play primary role in ensuring good governance and functioning of the Company. The meetings of the Board are normally held at the registered office of the Company in New Delhi.

The Board meets at regular intervals to discuss the physical and financial progress of the Company. The decisions are taken by the Board of Directors after deliberations. The Board periodically reviews the compliances status of all the applicable laws. During the year under review **Six Board Meetings were held on 22.04.19, 19.06.19, 09.08.19, 30.09.19, 11.11.19 and 02.03.20.** Provisions of the Companies Act, 2013 amended up to date have been properly adhered to regarding holding of the Board Meeting.

Details of composition of the Board of Directors, their tenure, category of the Director, attendance at the Board Meeting, General Meeting & other Directorships held during the year 2019-20 are given below:

Name of Directors	DIN No.	Meeting Attended	AGM of 2018-19 Attended	Other Directorship	Period
(a) Functional Directors					
Shri Manohar Kumar Chairman & Managing Director (Addl Charge)	07382754	1/1	NA	NIL	w.e.f. 13.03.18 to 11.06.19
Shri R.K. Gupta Chairman & Managing Director (Addl Charge)	02765470	5/5	Yes	CMD WAPCOS Limited	w.e.f. 11.06.19 to 30.09.20
Shri Manohar Kumar Director (Engg)	07382754	6/6	Yes	NIL	w.e.f. 21.04.16
Shri Sahab Narain Director (Finance)	03641879	6/6	Yes	NIL	w.e.f. 29.07.16 to 04.09.20
(b) Govt. Nominees					
Shri Jagmohan Gupta JS & FA-MOJS, Deptt of WR, RD & GR	02858377	6/6	Yes	NIL	w.e.f. 21.07.15
Shri Anupam Mishra Part Time Govt. Nominee Director	08271048	3/3	Yes	Director (Commercial & HRD)-WAPCOS Limited	w.e.f. 13.08.19
Shri Nitishwar Kumar JS(A)-MOJS, Deptt of WR, RD & GR	05326456	3/3	NA	NIL	w.e.f. 25.05.18 to 13.08.19
(c) Independent Directors					
Dr. Ravindra K. Pande	07723706	6/6	Yes	NIL	w.e.f. 07.02.17 to 06.02.20
Dr. Jayashree Gupta	01475898	5/6	Yes	NIL	w.e.f. 07.02.17 to 06.02.20

INDEPENDENT PART TIME DIRECTORS

In consonance of DPE's Corporate Governance Guidelines and in pursuant to Article 81 (1) (c) of the Articles of Association of the Company, the President has appointed (1) Dr. (Shri) Ravindra K. Pande, Professor, Kumaun University and (2) Dr. Jayashree Gupta former Additional Secretary to Government of India and Ex. CMD IDPL, as non-official part time directors on the Board of NPCC Limited. The said appointment has been communicated vide letter No. 9/1/2009-PSU Vol.III/209 dated 07.02.17.

Their best experience has guided the Board for going a long way in improving towards corporate excellence. The three year tenure of both the Independent Directors have been completed on 06.02.2020 and necessary action is underway by Ministry of Jal Shakti, Deptt. of Water Resources, River Development & Ganga Rejuvenation to fill-up the positions.

INDEPENDENT DIRECTORS' MEETING

During the year under review, there were two Independent Directors in the Company namely Dr. Ravindra K Pande and Dr. Jayashree Gupta. In accordance with DPE's O.M. No. 16(4)/2012-GM dated 28.12.2012 and O.M. No.16(4)/2012-GM dated 20.6.2013 as also pursuant to Section 149(8) read with Schedule IV – Part VII of the Companies Act, 2013 on the subject of Role & Responsibilities of Non-official Directors, a "Separate Meeting" of available Independent Directors was held on 6th January 2020 without the attendance of Functional and Government Directors and Members of Management, in which the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties, were assessed.

The Minutes of the above "Separate Meeting" was put up in the 326th Board Meeting held on 05 June, 2020.

CODE OF CONDUCT

The Company's Board has laid down a code of conduct for all Board Members and Senior Management of the Company, which has been circulated to all concerned executives. All Board Members and designated Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the CMD to this effect is enclosed at the end of this report.

TRAINING OF BOARD MEMBERS

The Company, with the approval of the Board, formulated Training Policy for Board Members. Besides, all directors inducted on the Board of NPCC were introduced to the Company through presentations given by the senior management and executives of the Company. They are provided with necessary documents/brochures, internal policies of the Company as a part of the familiarization programme. Further the directors also updated from time to time on the development in the applicable laws from various statutory bodies to understand their role and responsibilities towards the Company. Company furnishes a set of documents to the directors on their joining the Board. The set includes Company's brochure, Annual Report, Memorandum and Articles of Association, Corporate Governance Guidelines and various policies etc. formulated. Detailed presentations are made in Board Meetings about affairs of the Company. The Company

also facilitates continuous training programmes for directors as per the policy on training of Directors. During the year under review, following trainings were attended by Directors

Shri Manohar Kumar, Director (Engg.)

Two day training programme on Capability building organized on 13th & 14th August, 2019.

Shri Sahab Narain, Director (Finance)

Two day training programme on Capability building organized on 13th & 14th August, 2019.

Shri Anupam Mishra, Director (Comm. & HRD)-WAPCOS, Part Time Govt Nominee Director NPCC

Two day training programme on Capability building organized on 13th & 14th August, 2019.

COMMITTEES OF BOARD

After the appointment of Independent Directors, NPCC, by following best practices of Corporate Governance re-constituted the Committees, to assist Board in Compliance of Corporate Governance Guidelines of CPSE. These committees are as under:

- ◆ Audit Committee
- ◆ CSR Committee
- ◆ Remuneration Committee

AUDIT COMMITTEE

The Company has an Audit Committee, with terms and reference of the Committee being same as proposed in the DPE Guidelines/Companies Act, 2013. The composition of Committee as on 31.03.2020 was as under:

Name	Designation	Category
Shri Jagmohan Gupta JS & FA, MOWR, RD & GR	Chairman	Part Time Govt Nominee Director
Shri Anupam Mishra Director (Commercial & HRD)-WAPCOS Limited	Member	Part Time Govt Nominee Director
Shri Manohar Kumar	Member	Director(Engineering)

Director (Finance) and Head of Internal Audit department are permanent invitees to the meetings of Audit Committee. Statutory Auditors were also invited to the meetings of the Audit Committee

in which financial statements were discussed. Whenever desired by the Committee, senior officers were also invited to provide necessary inputs on the matters placed before the committee.

The Company Secretary acts as the secretary to the Committee

During the year 2019-20, five meetings of Audit Committee were held on 27.06.19, 09.08.19, 30.09.19, 11.11.19 and 24.03.19. There was 100% attendance in all the meetings except one meeting of 24.03.20 which could not be attended by Shri Manohar Kumar.

Dr. Jayashree Gupta, Independent Director chaired all the meetings held during the financial year 2019-20, upto 06.02.2020. Thereafter one meeting of 24.03.20 was chaired by Shri Jagmohan Gupta. The time interval between any two Audit Committee meetings had not exceeded one hundred and twenty days. The Chairperson of the Audit Committee was present in the last AGM of the company to answer the queries of the shareholders.

CSR COMMITTEE

The Board Level CSR Committee was constituted in accordance with Section 135 of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014 with terms and reference of the Committee being same as proposed in the Act/Rules/DPE Guidelines. The composition of Committee as on 31.03.2020 was as under :

Name	Designation	Category
Shri Jagmohan Gupta JS & FA, MOWR, RD & GR	Chairman	Part Time Govt Nominee Director
Shri Anupam Mishra Director(Commercial & HRD)-WAPCOS Limited	Member	Part Time Govt Nominee Director
Shri Manohar Kumar	Member	Director(Engineering)

Dr. Ravindra K Pande, Independent Director chaired all the meetings held during the financial year 2019-20, upto 06.02.2020. During the year 2019-20, three meetings of CSR Committee were held on 27.06.19, 09.08.19 and 28.01.20. There was 100% attendance in all meetings except for the meeting held on 27.06.19, which Shri Nitishwar Kumar, Govt Nominee Director could not attend due to his pre-occupation.

REMMUNERATION COMMITTEE

NPPC being a Central Public Sector Enterprise, the appointment, tenure and remuneration of CMD, Whole Time Directors and other Directors, are decided by the Govt. of India. The Part time Non-official (Independent Directors) are paid sitting fees for attending Board and Committee

meetings. As per the norms of Govt. of India, the Government Nominee Directors are not entitled to get any remuneration/sitting fee from the Company. Further, the remuneration of employees of the Company is fixed as per extant guidelines issued by Department of Public Enterprises (DPE), from time to time. As per the DPE Guidelines on Corporate Governance, Nomination & Remuneration Committee is required to be constituted to decide annual bonus / variable pay pool and policy for its distribution across the executives and non-unionized supervisors within the prescribed limits.

The Board constituted remuneration committee in consonance with DPE guidelines on Corporate Governance. As on March 31, 2020, the Remuneration Committee comprised the following members:

Name	Designation	Category
Shri Jagmohan Gupta JS & FA, MOWR, RD & GR	Chairman	Part Time Govt Nominee Director
Shri Anupam Mishra Director (Commercial & HRD)-WAPCOS Limited	Member	Part Time Govt Nominee Director
Shri Sahab Narain	Member	Director(Finance)

Director (Engg) and HOD of HR Department are invitees to the meetings of the Committee.

During the year 2019-20, one meeting of Remuneration Committee was held on 30.09.19.

REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The remuneration payable to Functional Directors including CMD is decided by the Govt. of India. As per the norms of Govt. of India, Government Nominee Directors are not being paid any remuneration or sitting fees by the Company. In accordance to the Companies Act, 2013 read with DPE Guidelines, the Board of Directors of the Company in consultation with administrative ministry, is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

All the Non Official Part Time Independent Directors are paid sitting fees for attending meeting of Board of Directors or Committees thereof to which they are appointed as Members. The details of remuneration paid to Functional Director of the company & Independent Directors during 2019-20 are as follows :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In Lakhs)

1	Gross salary	Shri Manohar Kumar Director (Engg) Additional Charge of CMD upto 11.06.2019)	Shri Sahab Narain Director (Finance)	Smt. Rajni Agarwal Company Secretary	Total Amount
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	29,38,754	29,19,214	19,69,399	78,27,367
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	5,76,226	5,68,573	2,69,768	14,14,567
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission -as % of profit -others, specify	--	--	--	--
5	Others, please specify Employers contribution to PF	2,90,833	2,88,907	1,82,791	7,62,531
	Total(A)	38,05,813	37,76,694	24,21,958	100,04,465
	Ceiling as per the Act	Ceiling is not applicable as Company is Private company			

B. Remuneration to other directors: (Amount in Rs.)

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
	Independent Directors	Dr (Shri) Ravindra K. Pande	Dr. Jayashree Gupta	
1	Independent Directors Fee for attending board / committee meetings	152500	120000	272500
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (1)	152500	120000	272500
2	Other Non-Executive Directors			
	Fee for attending board /committee meetings	NIL	NIL	NIL
	Commission	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL
	Total (B)=(1+2)	152500	120000	272500
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	Ceiling is not applicable as Company is Private company		

GENERAL BODY MEETINGS

The Annual General Meetings/Extra-ordinary General Meetings held during the last three years are given below:

Year	Date	Time	Venue
2018-19	11 th November'19	1.00 P.M.	Regd. Office
2017-18	28 th December '18	12.30 P.M.	Regd. Office
2016-17	29 th September'17	12.00 Noon	Regd. Office

No Special Resolution was passed in the last three Annual General Meeting

No Extra Ordinary General meeting was held during 2019-20

INDEPENDENT AUDITORS

M/s K.B. Chandna & Co Chartered Accountants were appointed as Independent Auditors for the financial year ended 31.3.2020. The Board places on record its appreciation for the prompt and effective services rendered by them

INDEPENDENT AUDITORS' REPORT

The emphasis of matter of the Independent Auditors on the accounts of the Company for the year ended 31st March 2020 and related notes on accounts are self-explanatory and do not require any further clarification.

CEO / CFO CERTIFICATION

The certification of Financial Statements by the Chairperson & Managing Director and Director (Finance) is enclosed.

COMPLIANCE CERTIFICATES

A Certificate obtained from a practicing Company Secretary regarding compliance of DPE's guidelines on Corporate Governance is enclosed.

SUBMISSION OF DATA SHEET FOR PE SURVEY

The data sheet for Public Enterprises Survey 2018-19 was submitted to the DPE on 25.09.2019 as per requirement of the DPE.

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 yet due for transfer to Investors Education and Protection Fund established by the Central Government.

The unclaimed dividend details are available on the website of NPCC at www.npcc.gov.in

MEANS OF COMMUNICATION WITH THE SHAREHOLDERS

The paid up share capital of the Company is being held by the WAPCOS Limited (A Government of India Enterprise) and 14 State Governments. Initially, it was held by Hon'ble President of India. Govt. of India strategically disinvested from NPCC Limited and sold its entire shareholding (98.89% paid up capital) to WAPCOS Limited. The majority paid up capital of the company i.e. 98.89% is now held by WAPCOS Limited and rest 1.11% is held by 14 State Governments. The Company displays complete Annual Report on its website for the information of its stakeholders together with other important information pertaining to the Company. Annual Report and other papers related to Shareholders are being sent regularly in physical form/digital mode.

For and on behalf of the Board of Directors

Sd/-
(DEBASHFREE MUKHERJEE)
Chairperson & Managing Director
(DIN No. 06374549)

Place : New Delhi
Date : 31.12.2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

AN OVERVIEW

Incorporated on 9th January, 1957 as a wholly owned Government of India Undertaking. The President of India acting through Ministry of Jal Shakti, Department of Water Resources, RD & GR held 98.89% of share capital and balance by various State Governments. Govt. of India strategically disinvested from NPCC Limited and sold its entire shareholding (98.89% paid up capital) to WAPCOS Limited. As on date, 98.89% paid up capital of the company is held by WAPCOS Limited and rest 1.11% is held by 14 State Governments. The Company has obtained Project Management & Consultancy ISO 9001:2015 certification from Blue Star Management Systems Pvt. Limited. The Company is a Mini Ratna Category-I, Schedule 'B' Public Sector Undertaking. The Company is engaged in the business of (i) project management consultancy services for civil construction projects (ii) civil infrastructure for power sector. Projects undertaken by the company are spread in different parts of the country. In addition, the company has also executed projects overseas.

FINANCIAL PERFORMANCE

The financial performance of the Company has improved in comparison to last year. During the year 2019-20, your Corporation has achieved an operating turnover of Rs. 1309.20 Crores as against Rs. 1013.52 Crores last year. The Corporation has earned the profit before tax of Rs. 45.49 Crores as against Rs. 22.54 Crores in previous year. Net Profit for the year 2019-20 is Rs. 19.29 Crores as against Rs. 13.96 Crores last year.

The outlook for the future is positive and Corporation is likely to further excel in the forthcoming year.

VISION

“To become a premier Organization, implementing engineering projects.”

MISSION

“To achieve a turnover exceeding Rupees 1500 crores with positive net worth by 2021-22 by focusing value addition at all points of interaction with our clients and continuously enhancing capabilities of organization and employees through innovations.”

OBJECTIVES OF THE CPSE

1. To ensure customer satisfaction through :
 - ◆ Execution of projects within schedule & cost, while maintain quality,
 - ◆ Adhering to Specifications & conditions of Contract,
 - ◆ Ensuring improvement through customer feedback.
2. Achieving Turnover Target as per MOU
3. Securing Business to maintain Work Order Book position around three times of Turnover.
4. Realizing old dues maximally and quickly for improving financial position of NPCC.
5. Continuous capacity building of officers.
6. Continuous organizational re-structuring and diversification as required, with focus on Business, Profitability and Customer satisfaction..
7. Maintaining ISO 9001 – 2015 based Quality Management Systems in all areas of activity.
8. Improving quality standards by introducing standard operating procedure in all spheres of governance

SWOT ANALYSIS

Strength

- ◆ Nearly six decade experience as a Govt. of India Enterprise under Ministry of Water Resources, River Development & Ganga Rejuvenation (incorporated in 1957) with ISO 9001:2015 certification.
- ◆ NPCC has achieved the highest Turnover of Rs. 1356 Cr., Profit 45.49 Cr., Business Development Rs. 3041 Cr. as compared to last five years.
- ◆ NPCC has a positive networth with A+ credit rating from ICRA.
- ◆ NPCC has a strong client base and good order book position.
- ◆ It has 14 Zonal Offices and more than 125 Project Offices all over India.
- ◆ Rich experience in executing River Valley, Hydro, Thermal, Industrial Complex, Building, Health Sector, Roads, Flyovers & other Infrastructural projects.
- ◆ Experience of working in remote & in-accessible area as well as terrorist infected area of North East, Jharkhand etc.
- ◆ NPCC has qualified and experienced men power capable of executing projects in difficult areas.
- ◆ The Corporation is debt free.

Weakness

- ◆ As the company was under prolonged financial constraint, so credential of major projects are not available for acquiring big works, thereby losing valuable business in core sectors like Thermal, Hydro Electric etc.
- ◆ Inability to enter in to BOT/BOO and other major project execution, due to financial limitation.
- ◆ Due to comparatively low pay package and retirement age as 58 years, attracting the good talent is badly affected.

Opportunity

- ◆ Thrust in infrastructure work by the GOI and development work in border area and North Eastern State's development work.
- ◆ Thrust in infrastructure development for Surface Transport & Tunnels etc.
- ◆ Major thrust by GOI on River development Projects/ Clean Ganga Projects.
- ◆ River Rejuvenation
- ◆ Interlinking of Rivers
- ◆ Joint Ventures/Collaboration for overseas/ major Indian projects.
- ◆ Avenue for diversifying in new areas (like Real Estate, Water Treatment Plant/ Sewerage Treatment Plant/ Effluent Treatment Plant, Solid Waste Management Projects).

Threat

- ◆ Huge investment in infrastructure has attracted large number of private sector & PSUs players which has intensified competition.
- ◆ Shrinking profit margins due to increased competition.
- ◆ Reduction in business on nomination basis.
- ◆ Contingent liabilities on account of arbitration and court cases.

BUSINESS OPERATIONS

The Company operates primarily in the following business verticals:

1. **Project Management Consultancy for civil construction projects:** NPCC provides Project Management Consultancy Service to various Departments/PSUs/Ministries for development of infrastructure for various fields of civil construction by taking responsibility by following all the standard norms and guidelines of CVC. Various areas under PMC are residential and non-residential buildings for MHA, Commercial complex for banks, Road-bridges for implementing PMGSY in various states, water supply and storm work system, University-Hospital etc. interior designs.
2. **Civil Infrastructure for Thermal and Hydro Electric Projects:** NPCC also undertake projects by participating in tender for various infrastructure projects such as Hydro Electric Power Project, Building & Housing Project, other departments, Thermal Power Project & Roads & Bridges, Dam, Reservoir, Canal, and Hospitals etc

RISKS & CONCERNS

In construction industry, major concern is cost inflation, timely completion of projects and change in Govt. policies due to which there is risk of time and cost overruns which are seldom compensated by clients thereby putting your company into losses.

The Company's employees and projects have been exposed/are exposed to risks and threats of life, liberty and property while operating in risky geographical areas. It, however, takes pride in executing prestigious works in the national building task. The Company has taken measures to provide adequate safety, facilities and also insurance coverage in such places.

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

The construction sector in India has been passing through a challenging phase in the last few years. While the Government has come up with several announcements to reform the sector and boost investor sentiments, key challenges remain to be addressed to sustain the growth trajectory are as follows:

- ◆ Factors such as delays in land acquisition and environmental clearances, capacity constraints, and dependency on human labour;

- ◆ Particularly in construction sector-access to finance, changes in regulations, foreign direct investments, approval processes, environment clearances as well as legal hassles and proceedings affect the execution project and lead to significant cost overrun;
- ◆ Specifically in the EPC business-delay in project execution, stalling of projects due to non-payment by developers, steep cost escalation in input costs affect the execution of projects, resulting in major cost overrun etc.
- ◆ Increasing backlog of infrastructure projects, mounting losses due to delays and cost overruns could slow momentum.

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

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

OUTLOOK FOR FUTURE

A portion of Company's income is generated from execution of works awarded by various Ministries, Central/State Government Departments and other autonomous bodies on nomination basis. Now instead of awarding works on nomination basis, the Ministries/Govt. Departments have started a competitive bidding process among PSUs. NPCC, is able to secure works even under tough competition. Government of India has allocated huge funds for infrastructure in 12th Plan. A large portion of investments by Government of India is in Bharat Nirman, Development of NER, Metro, Airport, Smart Cities, Ganga Development etc. but due to global economic slowdown, it is not certain whether Govt. of India will be releasing the fund as per approved plans. Your Company has executed and is executing projects for various Ministries/Government Departments/Organizations as their "Extended Engineering Arm". Your Company is also assisting Ministry of Rural Development, Ministry of Home Affairs, Ministry of Health, Ministry of Chemicals & Fertilizers, MOES, MoYAS, Central Universities as well as State Governments for speedy utilization of planned funds for the projects. Your Company is also planning to diversify in new areas like real estate, water treatment plant, sewerage treatment plant, solid waste management projects, and new and renewable energy resources. With continuous emphasis on infrastructure by Government of India, NPCC with its ability to work in difficult areas have become a preferred Organization for complex and difficult works. Competition among large number of construction companies has resultant impact on the margins of Company. After registering with EXIM bank,

ADB and World Bank, NPCC is planning to tap the potential of Foreign market. In this direction, opportunities in Nepal, Myanmar and Liberia(Africa) are being explored.

CONSTRAINTS

Although every Organization has to work within a certain legal frame work, your Corporation as a public sector Company faces certain constraints (not applicable to private sector companies) which put it at disadvantage in a competitive market. Company is working in North East and Naxal affected areas where people are reluctant to join and work for Company. Though NPCC is making profits since 2009 but still the counter Guarantee from GOI and Bank Guarantee limits from Banks are not available.

INTERNAL CONTROL SYSTEM

The Company has adequate system of Internal Control and Internal Audit System which helps the management to review the effectiveness of financial and operating controls. It also ensures that all transactions are authorized, recorded and reported correctly. The Management takes reasonable care and ensures safeguard of assets, prevention and detection of fraud and error, accuracy and completeness of accounting records and timely preparation of reliable financial information. The Corporation also has Internal Financial Control Policy for improvement in the system. In this regard, steps have been taken to constitute Internal Audit Team who perform their duties and report on a regular basis throughout the year.

Internal Control is being ensured through internal audit division for periodical audits of Zones/ Corporate Office. Significant Audit observations and correction actions thereon are presented to the audit committee. Internal Audits Reports are also being reviewed by Statutory Auditors of the company appointed by Comptroller and Auditor General of India. Books of Accounts are also subject to supplementary audit by Comptroller and Auditor General of India.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

NPCC does not discriminate on the basis of gender, race, religion, region etc. in recruitment and in relationship with its employees. There were 544 employees on the rolls of NPCC, as on 1.4.2020, at the close of the financial year. NPCC maintains amicable, smooth and harmonious relations with its employees. There is an employee-friendly atmosphere in the Company with a climate of equality and openness.

CAUTIONARY STATEMENT

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

Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially or substantially different from those projected in this report, including among others, changes in the general economic and business conditions affecting the segment in which the Company operates, changes in business strategy, significant changes in economic environment in India and abroad, exchange rate fluctuations, litigations, labour relations, competition in the industry, changes in Governmental regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

For and on behalf of the Board of Directors

Sd/-

(DEBASHREE MUKHERJEE)

Chairperson & Managing Director

(DIN No. 06374549)

Date : 31.12.2020

Place : New Delhi

Declaration by Chairperson & Managing Director regarding compliance with the Code of Conduct by Board Members and Senior Management during the financial year 2019-20.

I, Debashree Mukherjee, Chairperson & Managing Director, NPCC Ltd., do hereby declare that all the Members of the Board of Directors and the Senior Management Team of the Company have affirmed their compliance of the Code of Conduct of the Company during 2019-20.

Sd/-
(DEBASHREE MUKHERJEE)
Chairperson & Managing Director
(DIN No. 06374549)

Date : 31-12-2020

Place : New Delhi

HARBANS LAL & CO.
COMPANY SECRETARIES

Off.: 23696096
Phones: Resi.: 23696831
Mob.: 9811627414
Email: hllcs@yahoo.co.in
L-15, Pratap Nagar, Delhi – 110007
(Near Pratap Nagar Metro Station)

Dated : 31st December, 2020

To,
The Members
National Projects Construction Corporation Limited
30-31, Raja House, Nehru Place,
New Delhi – 110019.

We have examined the relevant records and documents as furnished to us pertaining to the compliance of the conditions of Corporate Governance by National Projects Construction Corporation Limited (hereinafter referred as the company) for the year ended on 31st March, 2020 as stipulated in 'Guidelines on Corporate Governance for Central Public Sector Enterprises' issued vide O.M No. 18(8)/2005-GM dated 14.05.2010 by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in above mentioned guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the abovementioned guidelines, except having the required number of Independent Directors. We understand that the Government/Administrative Ministry are in the process of taking necessary action in this regard.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy of the effectiveness with which the Management has conducted the affairs of the Company.

For Harbans Lal & Co.

Sd/-
(Harbans Lal)
Company Secretary
C.P. : 3944
M No. 1022

Certification by Chairperson & Managing Director and Director (Finance)

- (a) We have reviewed financial statements and the cash flow statement for the financial year 2019-20 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; and
 - (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 violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the company. We have disclosed to the auditors and the Audit Committee/Board, deficiencies in the design or operation of internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the audit committee/Board:
- (i) significant changes made/to be made in internal control during the year,
 - (ii) significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements; and
- (e) There is no instance of significant fraud of which we are aware nor there has been involvement of the management or any employee having a significant role in the company's internal control system.

Sd/-
DEBASHREE MUKHERJEE
CHAIRPERSON & MANAGING DIRECTOR
DIN No. 06374549

Sd/-
PANKAJ KAPOOR
DIRECTOR (FINANCE)
DIN No. 07290569

Place : New Delhi
Date : 14.12.2020



STATEMENT OF ACCOUNTS



NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
BALANCE SHEET AS AT 31st MARCH, 2020

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
I. ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2	3,882.86	3,993.02	4,000.89
(b) Capital Work-In-Progress		-	-	-
(c) Right-of-Use Asset	2A	119.13	178.67	226.64
(d) Investment Property		-	-	-
(e) Goodwill		-	-	-
(f) Other Intangible Assets	2B	6.31	9.47	-
(g) Financial Assets				
(i) Investment		-	-	-
(ii) Trade Receivables	6	12,489.58	15,515.49	13,114.58
(iii) Loans		-	-	-
(iv) Other Financial Assets	3	9,858.03	8,184.45	10,267.34
(h) Deferred Tax Assets (Net)	4	2,978.75	5,013.55	5,133.87
(i) Other Non-current Assets	5	1,880.94	2,258.83	2,219.87
2. Current Assets				
(a) Inventories	7	6.92	8.94	13.06
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade Receivables	6	26,906.63	22,848.95	26,771.98
(iii) Cash and Cash Equivalents	8	33,337.38	51,528.12	39,985.68
(iv) Other Bank Balances	9	63,030.51	31,827.03	19,404.20
(v) Loans		-	-	-
(vi) Other Financial Assets	3	34,254.31	19,055.64	14,710.32
(c) Current Tax Assets (Net)		-	-	-
(d) Other Current Assets	10	15,404.84	15,857.30	11,497.50
TOTAL ASSETS		204,156.18	176,279.45	147,345.93
II. EQUITY AND LIABILITIES				
1. EQUITY				
(a) Equity Share Capital	11	9,453.16	9,453.16	9,453.16
(b) Other Equity	12	9,513.09	7,531.83	6,609.60
2. LIABILITIES				
NON CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade Payable	13	11,806.44	16,261.75	16,840.44
(iii) Other Financial Liabilities	15	17,235.04	18,426.40	17,593.89
(b) Provisions	14	1,946.02	2,259.03	2,427.53
(c) Deferred Tax Liabilities (Net)		-	-	-
(d) Other Non-Current Liabilities	16	4,832.21	6,274.31	5,946.69
CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade Payable	17	61,177.26	36,237.89	35,999.62
(iii) Other Financial Liabilities	15	22,601.61	19,498.93	22,020.04
(b) Provisions	14	974.77	1,039.42	794.78
(c) Current Tax Liabilities (Net)		-	-	-
(d) Other Current Liabilities	16	64,616.58	59,296.74	29,660.16
TOTAL EQUITY & LIABILITIES		204,156.18	176,279.45	147,345.93

Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements Note 1- 58

Sd/-
(C.P. Gupta)
General Manager(F)

Sd/-
(Rajni Agarwal)
Company Secretary

Sd/-
(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

Sd/-
(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)

Sd/-
(Debashree Mukherjee, IAS)
Chairperson & Managing Director
(DIN No.06374549)

As per our report of even date attached
For **K.B. CHANDNA & Co.**
Chartered Accountants
FRN : 000862N

Sd/-
(Sanjeev Chandna)
Partner
M.No. 087354

Date : 14-12-2020
Place : Delhi

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(Rs. In Lakh)

Particulars	Note No.	Figures as at the end of Current reporting period (31 st March, 2020)	Figures as at the end of Previous reporting period (31 st March, 2019)
REVENUE			
I Revenue from operations	18	130,920.90	101,352.17
II Other income	19	4,725.14	3,906.45
III Total Revenue (I+II)		135,646.04	105,258.62
EXPENDITURE			
Construction Expenses	20	123,195.10	93,582.71
Employee Benefit Expenses	21	6,869.31	7,574.57
Finance Cost	22	15.34	17.37
Depreciation and Amortisation Expenses	23	273.01	258.83
Corporate Social Responsibility Expenses	24	22.72	55.12
Other Expenses	25	2,784.48	2,353.06
Total Expenditure (IV)		133,159.95	103,841.68
V Profit/ (loss) before Exceptional Items and Tax (III-IV)		2,486.09	1,416.94
VI Exceptional Items	26	2,062.42	837.18
VII Profit/ (loss) before tax (V-VI)		4,548.51	2,254.12
TAX EXPENSE			
(1) Current Tax		585.74	629.56
(2) Income Tax-Earlier Year		16.91	(10.86)
(3) Deferred Tax		2,017.14	239.89
IX Profit/ (Loss) for the period from Continuing Operations		1,928.72	1,395.53
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)		1,928.72	1,395.53
OTHER COMPREHENSIVE INCOME			
Items			
Remeasurment of Defined Benefit Plans Gain/(Loss) - Leave Encashment		19.23	(40.56)
Deferred tax impact		(4.84)	14.17
Remeasurment of Defined Benefit Plans Gain/(Loss) - Gratuity		50.95	(301.59)
Deferred tax impact		(12.82)	105.39
Income Tax Relating to Items that will not be reclassified to Statement of Profit & Loss		-	-
XV Total Other Comprehensive Income of the Year (Net of Tax)		52.52	(222.59)
Total Comprehensive Income of the Year		1,981.23	1,172.94
Earning per equity share: (Refer Note No. 29)			
Equity share of par value of Rs 1000/- each			
(1) Basic (In Rs Only)		209.58	124.08
(2) Diluted (In Rs Only)		209.58	124.08

Significant Accounting Policies and Notes referred to above forming an integral part of the Statement of Profit & Loss

Note 1- 58

Sd/-
(C.P. Gupta)
General Manager(F)

Sd/-
(Rajni Agarwal)
Company Secretary

Sd/-
(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

Sd/-
(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)

Sd/-
(Debashree Mukherjee, IAS)
Chairperson & Managing Director
(DIN No.06374549)

As per our report of even date attached
For K.B. CHANDNA & Co.
Chartered Accountants
FRN : 000862N

Sd/-
(Sanjeev Chandna)
Partner
M.No. 087354

Date : 14-12-2020
Place : Delhi

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(Rs. In Lakh)

PARTICULARS		For the year ended 31 st March, 2020		For the year ended 31 st March, 2019	
A)	Cash Flow from Operating Activities				
	Net Profit Before Tax as per Statement of Profit and Loss		4,548.51		2,254.12
i)	Adjustment for:-				
	Depreciation and Amortisation of Property, Plant and Equipments and Intangible Assets	166.02		161.36	
	Depreciation of Right to use of Leased Assets	106.99		97.47	
	Provision for Impairment Losses	265.06		135.81	
	ECL Provision	368.24		306.18	
	Unadjusted Credit Balances Written Back	(7,147.41)		(166.74)	
	Provisions Written Back	(2,553.35)		(690.31)	
	Interest Income Recognised in Statement of Profit/ (Loss)	(3,665.33)		(3,352.53)	
	Provision for Employee Benefits	491.13		579.34	
	Trade Receivables Written Off	4,926.16		12.02	
	Other Balances Written Off	2,433.20		-	
	Loss on CPF Trust	50.59		53.42	
	Fixed Assets Written Off	13.20		1.99	
	Finance Cost	15.34		17.37	
	Adjustment of Reduction in Revenue and Expenses	254.37		46.02	
	(Profit)/Loss On Sale of Fixed Assets (Net)	(4.15)		(54.35)	
	Operating Profit Before Working Capital Changes		(4,279.94)		(2,852.9)
ii)	Adjustment for Change in Assets and Liabilities				
	Trade Receivable	(1,093.82)		1,203.90	
	Other Current and Non Current Financial Assets	(16,607.19)		(2,222.25)	
	Other Current and Non- Current Assets	922.62		(5,017.16)	
	Inventories	2.02		4.12	
	Trade Payable	20,484.07		(340.42)	
	Other Current and Non Current Financial Liabilities	1,969.69		(1,650.09)	
	Other Current and Non Current Liabilities	3,877.74		29,964.19	
	Non-Current / Current Provisions	(307.47)		(266.01)	
	Cash Generated from Operating Activities Before Taxes		9,247.65		21,676.27
	Less: Corporate Tax Paid		9,516.22		21,077.44
	Net Cash Flow from Operating Activities		9,516.22		21,077.44
B)	Cash Flow from Investing Activities				
	Dividend Income	-	-	-	-
	Sale of Property, Plant & Equipment	42.13		78.25	
	Disposal of Intangible Assets	-		-	
	Purchase of Property, Plant & Equipment	(90.66)		(176.86)	
	Purchase of Intangible Assets	-		(10.00)	
	Deposit Not Considered as Cash & Cash Equivalent	(31,203.48)		(12,422.83)	
	Interest Income Recognised in Statement of Profit/ (Loss)	3,665.33		3,352.53	
	Net Cash Flow from Investing Activities		(27,586.69)		(9,178.90)
C)	Cash Flow from Financing Activities				
	Dividend Payment (Including Tax)	-		(250.72)	
	Repayment of Lease Liabilities	(120.28)		(105.39)	
	Net Cash Flow from Financing Activities		(120.28)		(356.11)
	Effect of Exchange Difference on Translation of Foreign Currency Cash & Cash Equivalents				
	Net Increase / Decrease in Cash & Bank Balances		(18,190.74)		11,542.43
	Cash & Bank Balances at the Beginning of The Year		51,528.12		39,985.68
	Cash & Bank Balances at The Closing of The Year		33,337.38		51,528.12
	Notes				
	1. Indirect Method has been followed for Preparing Cash Flow as Per Ind AS-7				
	2. Cash & Bank Balances Represents:				
	A. Cash & Cash equivalents :				
	(A) Balance with Banks in Current A/C's		22,290.07		28,460.08
	(B) Bank Deposits having Original Maturity Less Than 3 Months		10,971.10		20,612.41
	(C) Cheques in Hand		76.20		2,455.39
	(D) Cash in Hand		0.00		0.23

Sd/-
(C.P. Gupta)
General Manager(F)

Sd/-
(Rajni Agarwal)
Company Secretary

Sd/-
(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

Sd/-
(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)

Sd/-
(Debashree Mukherjee, IAS)
Chairperson & Managing Director
(DIN No.06374549)

As per our report of even date attached
For K.B. CHANDNA & Co.
Chartered Accountants
FRN : 000862N

Sd/-
(Sanjeev Chandna)
Partner
M.No. 087354

Date : 14-12-2020
Place : Delhi

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
STATEMENTS OF CHANGES IN EQUITY AS AT 31st MARCH, 2020

A Equity Share Capital

(Rs. In Lakh)

Particulars	Balance as at 1 April, 2019	Changes in equity share capital during the period	Balance as at 31st March, 2020
Equity Share Capital	9,453.16	-	9,453.16

Particulars	Balance as at 1 April, 2018	Changes in equity share capital during the period	Balance as at 31st March, 2019
Equity Share Capital	9,453.16	-	9,453.16

B Other Equity

(Rs. In Lakh)

Description	Reserves and surplus		Other comprehensive income		Total
	General reserve	Surplus	Remeasurment of defined benefit plans	Gains / (Losses) from Investments in Equity Instruments designated head FVOCI	
Opening Balance as at 1 April, 2018	-	7,928.29	-	-	7,928.29
Other Comprehensive Income	-	-	-	-	-
Proposed Dividend including tax impact	-	-	-	-	-
Deferred Tax impact	-	-	-	-	-
Effects of changes in accounting policy	-	(972.79)	-	-	(972.79)
Effects of changes in prior period expenses	-	(345.89)	-	-	(345.89)
Tax impact due to change in accounting policy	-	-	-	-	-
Restated Balance as on 1st April, 2018	-	6,609.60	-	-	6,609.60
Profit for the year	-	1,395.53	-	-	1,395.53
Bonus Share issue	-	-	-	-	-
Other Comprehensive Income	-	-	(342.15)	-	(342.15)
Deferred Tax impact	-	-	119.56	-	119.56
Dividend Paid including tax impact for the F.Y 2017-18 paid in F.Y 2018-19	-	(207.97)	-	-	(207.97)
Dividend including tax impact on above	-	(42.75)	-	-	(42.75)
Transfer to General Reserve	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Effects of changes in accounting policy or prior period expenses	-	-	-	-	-
Tax impact due to change in accounting policy	-	-	-	-	-
Balance as at 31 March, 2019	-	7,754.42	(222.59)	-	7,531.83
Profit for the year	-	1,928.72	-	-	1,928.72
Bonus Share issue	-	-	-	-	-
Other Comprehensive Income	-	-	70.18	-	70.18
Deferred Tax impact	-	-	(17.66)	-	(17.66)
Dividend including tax impact	-	-	-	-	-
Transfer to Corporate Office	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Balance as at 31 March, 2020	-	9,683.16	(170.07)	-	9,513.09

Note 1: SIGNIFICANT ACCOUNTING POLICIES

Company Overview

National Projects Construction Corporation Limited, “NPCC” (the Company) is a **“MINI RATNA-1”** Public Sector Enterprise under the aegis of WAPCOS Limited under the Ministry of Jal Shakti incorporated on 9th January, 1957 under the Companies Act, 1956; NPCC is a technology driven consultancy and Engineering. Procurement and Construction Organization with strong home country presence in the field of Water, Power and Infrastructure sectors. Engineering Excellence, Exceptional Workforce and Customer Centric Approach has enabled to deliver projects consistently to clients. NPCC has the requisite experience & expertise to undertake Project Management Consultancy (PMC) & Engineering Procurement and Construction (EPC) projects of any scale and complexity in the sectors of its operation. NPCC portfolio of projects is both impressive and diverse in nature. The quality management systems of NPCC comply with the Quality Assurance requirements of **ISO- 9001:2015** for Consultancy Services in Water Resources. Power and Infrastructure Development Projects related to Residential, Office Buildings, Civil Works, Roads & Highways, Irrigation, Agriculture and Water Projects, Electrical Power Projects for Generation, substation, Transmission etc.

The Company is incorporated under Companies Act 1956 (“the Act”) and domiciled in India having registered office at “Raja House”, 30-31, Nehru Place, New Delhi – 110019 (India) and Corporate office at Plot No : 148, Sector-44, Gurugram, Haryana - 121003 (India).

The reporting and functional currency of the Company is Indian Rupees (INR). Figures in financial statements are presented in Rs Lakhs, by rounding off up to two decimals except for per share data and as otherwise stated.

The financial statements are approved for issued by the company’s Board of Directors on 14th December, 2020.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 GENERAL

(a) Statement of Compliance

The financial statements of company have been prepared in accordance with Indian Accounting Standards (Ind As) notified by Ministry of Corporate Affairs “ the MCA” under Section 133 of the Companies Act, 2013 (“the Act”) read together with the Companies (Indian Accounting Standard),

Rules, 2015 as amended by Companies (Indian Accounting Standards) amendment Rules 2016, 2017, 2018 and 2019. Accounting policies have been consistently applied except where newly issued Indian Accounting Standard is initially adopted or a revision to an existing accounting standards requires a change in the accounting policy hitherto in use. These financial statements for the year ended 31st March 2020 are the first financial statements which the company has prepared in accordance with all applicable Ind AS.

(b) Basis of Preparation of Financial Statements

The financial statements of the Company are prepared based on principle of the historical cost except for certain financial assets and liabilities and defined benefit plans that are measured at fair value, and are drawn up to comply in accordance with the Indian Accounting Standards (Ind AS) notified by Ministry of Corporate affairs ("the MCA") under section 133 of the Companies Act, 2013 (the Act) read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended by the Companies (Indian Accounting Standards) amendment Rules, 2016, 2017, 2018 and 2019. The Ind AS Accounting policies have been applied consistently to all years presented in the financial statements.

The financial statements up to the year March 31, 2019 were prepared in accordance with the accounting standards notified by Ministry of Corporate affairs ("the MCA") in exercise of its powers under section 211(3C) read with section 210 A(1) and section 642(1)(a) of the Companies Act 1956 " (the Act") under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP).

The financial statements for the year ended March 31, 2020 are the first financial statements with comparatives prepared under Ind AS. Reconciliation and explanations of the effect of the transition from previous GAAP to Ind AS on the Company's Total Equity, Total Comprehensive Income and Statement of Cash Flows are provided in **Note 54**. The transition was carried out from the accounting principles generally accepted in India (Indian GAAP) which is considered as previous GAAP, as defined in Ind AS 101 (First time adoption)

The accounting policies are applied consistently to all periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 1, 2018, being the date of transition to Ind AS.

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in Schedule – III to the Companies Act, 2013.

Based on nature of activities and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

1.2 USE OF ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the management has to make certain judgments, estimates and assumptions. These estimates, judgments, and assumptions affect the application of accounting policies and the reported amount of assets and liabilities, disclosure of contingent assets and contingent liabilities as at the date of the financial statements and the reported amount of revenues and expenses for the year.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assess these estimates, actual results could differ from the estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Transition to Ind AS :

Ind AS estimates as at April 1, 2018 are consistent with estimates as at the same date made in conformity with Previous GAAP. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as there were not required under previous GAAP.

1.3 PROPERTY, PLANT AND EQUIPMENTS

Recognition

Free hold land is carried at historical cost. Property, Plant and Equipment are initially recognized at cost i.e, cost of acquisition or construction inclusive of

freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs, in case of a qualifying asset, upto the date of acquisition / installation, net of accumulated depreciation and impairment losses, if any. Subsequent measurement is done at cost less accumulated depreciation and impairment loss, if any. Cost includes expenditure that is directly attributable for bringing the asset ready for its intended use by management.

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit & Loss when incurred.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment is provided under Straight Line Method (SLM) based on the useful life as prescribed in Schedule II to the Companies Act, 2013 which matches the assessment of the Management. Depreciation method, useful lives and residual values are reviewed at the end of each financial year. The useful lives of assets are as prescribed in Part C of schedule II of the Companies Act, 2013. In respect of additions to / deductions from assets during the year, depreciation is charged on pro rata basis.

The estimated useful lives of the various assets are as under:-

Asset Class	Useful lives (Years)
Office Buildings with RCC Frame Structures	60
Furniture & Fixtures	10
Vehicles – Motor Cars	8
Vehicles – Motor Cycles, Scooters and other mopeds	10
Office Equipment	5
Electrical Works	10
Computers	3
Networking Server	6
Temporary Wooden Structure	3
Engineering and other Books	3
General Plant & Machinery	15

Derecognition

An item of property, plant and equipment and any significant part initially recognized, is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (Calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss when the asset is derecognized.

Transition to Ind AS :

The Company has elected to measure all its Properties, Plant and Equipment at their previous GAAP carrying value as deemed cost at date of transition as at 1st April, 2018.

1.4 CAPITAL WORK IN PROGRESS

Assets which are not ready for the intended use are carried at cost comprising direct cost, related incidental expenses & attributable interest.

1.5 INTANGIBLE ASSETS

Recognition and Measurement

An intangible asset is an identifiable non-monetary asset without physical substance such as a technical knowhow, computer software. It is capitalized if the future economic benefits attributable to the asset will probably flow to the company and the cost of acquisition or generation of the asset can be reliably measured. It is amortized from the point at which the asset is available for use. Intangible assets acquired / developed are measured on recognition at cost less accumulated amortization and impairment losses if any.

Subsequent measurement (Amortisation)

Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they become available for use. Computer software is amortized over a period of 3 years or over their license period, as applicable. Licenses of application and operating software for specified periods are charged to revenue with respect to the period of license.

Derecognition

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the

asset and are recognized in the statement of profit and loss when the asset is de-recognized.

Transition to Ind AS :

The Company has elected to measure all its Intangible Assets at their previous GAAP carrying value as deemed cost at date of transition as at 1st April, 2018.

1.6 IMPAIRMENT OF NON – FINANCIAL ASSETS

Property, Plant and Equipment and Intangible Assets

PPE and Intangible Assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and value in use) is determined on an individual asset basis, unless asset does not generate cash flows that are largely independent of those from other assets, in which case recoverable amount is determined at the cash generating – unit (“CGU”) level to which the said assets belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis. Impairment losses, if any are recognised in statement of Profit and Loss.

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

1.7 WRITE OFF

Non-Financial Assets (Tangible and Intangible Assets)

Such Assets including Property, Plant and Equipment, Intangible Assets, etc, are written off when, in the opinion of the management such assets have become obsolete, damaged beyond repair, stolen and uneconomical to use.

Such items of Inventory are disposed off when, in the opinion of the management, such items have become obsolete, damage beyond repair, stolen and uneconomical to use.

1.8 FINANCIAL INSTRUMENTS

Initial Recognition

Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables / trade payables which are initially measured at transaction date. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit and loss are added or deducted to / from the fair value on initial recognition.

Subsequent Measurement

- (a) Financial assets are subsequently measured at amortized cost if these are held with in a business model whose objective is to hold the asset in order to collect cash flows and the contractual terms of the financial assets give rise on specific dates to cash flows that are solely payments of principal and Interest on the principal amount outstanding using the effective interest rate (EIR) method. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

- (b) Financial assets at fair value through profit or loss :

The financial assets are measured at fair value through profit and loss unless it is classified at amortized cost.

- (c) Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through fair value method.

All other financial liabilities are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are de-recognized as well as through the EIR amortization process.

Transition to Ind AS :

The Company has elected to apply de-recognition provisions of Ind AS 109- Financial Instruments prospectively for transactions occurring on or after the date of transition and accordingly financial liabilities which were derecognized under previous GAAP are not reinstated.

The Company has classified and measured its financial liabilities on the basis of facts and circumstances existed at the date of transition to Ind AS.

The Company holds non-derivative financial instruments. The Non-derivative financial instruments comprises of:

- (i) Financial assets, which include cash and cash equivalents, trade receivables, retentions by Project Authorities, unbilled revenues, employee and other advances (including Security deposits given which are refundable to company).
- (ii) Financial liabilities, which include trade payables, retentions from contractual payments (including security deposits taken which are payable by company).

Subsequent to initial recognition, non-derivative instruments are measured as follows:

- (a) Cash & Cash Equivalents :

Cash comprises cash on hand and demand deposits with banks. Cash equivalents includes short term deposits with an original maturity of three months or less from the date of acquisition which are readily convertible into known amounts of cash and be subject to an insignificant risk of change of value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

- (b) Financial Assets at Amortised Cost:

Loans, Advances other than capital advances and Receivables are presented as current financial assets, except for those maturing later than 12 months after the reporting date which are presented as non-current financial assets. Loans and Receivables are initially recognized at fair value and are subsequently measured at amortized cost using effective interest method (EIR).

- (c) Investment in Equity:

All 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).

(d) Financial Assets at Fair Value through Profit & Loss :-

A, financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit and loss (FVTPL).

Derecognition

A financial asset is derecognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred substantially all the risks and rewards of the asset, or the company has neither transferred nor retained substantially all the risk and rewards of the asset, but has transferred control of the asset.

A financial liability or a part of financial liability is derecognized from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. 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 derecognition 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.

Transition to Ind AS :

The Company has elected to apply de-recognition provisions of Ind AS -109 – Financial Instruments prospectively for transactions occurring on or after the date of transition and accordingly financial assets which were derecognised under Previous GAAP are not reinstated.

The Company has classified and measured its financial assets on the basis of the facts and circumstances existed at the date of transition to Ind AS.

1.9 IMPAIRMENT OF – FINANCIAL ASSETS

(a) Financial Assets :

(other than at fair value)

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 historical default rates observed over the expected life of the trade receivables and is adjusted for forward – looking estimates. At every reporting date, the historical default rates are updated and changes in the forward – looking estimates are analysed. Further receivables are segmented for this analysis where the credit risk characteristics of the receivables are similar.

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.

1.10 WRITE OFF

Financial Assets – (Other than at fair value)

Such assets including Trade Receivables, Retention Money, and security deposit outstanding for a period exceeding ten years are written off.

1.11 REVENUE RECOGNITION

GENERAL :

- (a) The Company derives operating revenue primarily from sale of services from EPC (Engineering, Procurement and Construction) Projects and PMC (Project Management Consultancy) Projects.
- (b) The general parameters for recognizing revenue in the financial statements are stated below which are applicable to all streams of revenue while specific parameters are stated in the accounting policy of the respective stream of revenue :

- ◆ Identifying the contract with a Customer/ Client

- ◆ Identifying the performance obligations
- ◆ Determining the transaction price
- ◆ Allocating the transaction price to the performance obligations
- ◆ Recognizing revenue when / as performance obligation(s) is/are performed

The company often enters into transactions involving a range of the company's services. In all cases, the total transaction price for a contract is based on performance obligations.

Revenue is recognized either at a point of time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its Customer/ Clients.

Transaction price is the amount to which the company expects to be entitled in exchange for transferring good or service to a Customer/ Client. The consideration promised in a contract may include fixed amounts, variable amounts or both. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with Customer/ Clients are as per business practice and there is no financing component involved in the transaction price.

The company does not incur any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to the Statement of Profit and Loss.

Cost incurred in fulfilling the contract is charged against the revenue of the respective contract in the Statement of Profit and Loss.

Revenue on contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenue in the balance sheet.

The company recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the balance sheet. Similarly, if the company satisfies a performance obligation but consideration is yet to be received, then before the consideration is received, the company recognizes a contract asset in its balance sheet.

- (c) Revenue is recognized exclusive of Goods and Service Tax (GST).

- (d) Contract revenue comprises of the initial amount of revenue agreed in the contract.
- (e) Revenue from providing services is recognized in the accounting period in which services are rendered. Revenue is recognized based on performance obligation satisfied either over time or at a point of time when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its Customer/ Clients.
- (f) In case performance obligations are satisfied over time, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided using appropriate method depending on the nature of transaction as per contractual stipulations.
- (g) This is determined based on physical progress, efforts, survey of work performed, proportion of cost incurred to date to the total cost of the transaction, time spent, service performed to date as a percentage of total services to be performed or any other method that management may consider appropriate.
- (h) In other cases where performance obligation is not satisfied over time, revenue is recognized at a point of time.
- (i) In Construction contracts / projects, the company recognizes revenue over time. Due to high degree of interdependence among various elements of these projects, revenue is accounted for considering these projects as a single performance obligation.

PROJECT MANAGEMENT CONSULTANCY – COST PLUS CONTRACTS

- (i) Revenue from cost plus contracts is recognized over time and is determined with reference to the extent performance obligations have been satisfied. To depict the progress by which the company transfers control of the promised goods to the Customer/ Client and to establish when and to what extent revenue can be recognized, the company measures its progress towards complete satisfaction of the performance obligation based on work done.
- (ii) The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the Customer/ Client.
- (iii) In case of a cost plus contract if Consultancy income / fee is stipulated as a separate item, such consultancy income / fee is recognized as revenue over

a period of time or at a point of time as the company satisfies performance obligations by transferring the promised goods or services to its Customer/ Clients in accordance with the terms of the contract.

- (iv) In other cases, Revenue is recognized over time to the extent of performance obligations satisfied and control is transferred to the Customer/ Client. Contract revenue is recognized at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.
- (v) In construction Management / Supervision contracts, revenue is recognized as a percentage of the value of work done / built up cost of each contract as determined by the management, pending Customer/ Client's approval, if any.
- (vi) Any expected loss is recognized as a provision for foreseeable losses at reporting date.

ENGINEERING PROCUREMENT AND CONSTRUCTION (EPC)

For EPC contracts, transaction price is the price which is contractually agreed with the customer for provision of services. The revenue is recognized over time based on the input method of measuring progress because in such contracts, the customer receives and uses the benefits as the Company performs its obligation.

Reimbursable expenses in terms of the contract are charged as "expenditure" and recovery thereof is booked as "Revenue" and is accounted for on accrual basis.

1.12 FINANCE INCOME

Interest income is recognized using the effective interest method when it is probable that the economic benefits associated with the transaction will flow to the entity and amount can be measured reliably.

1.13 LEASES

Prior to 01-04-2019- Ind AS -17:

A Lease is an agreement whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a payment or series of payments. A Lease is classified at the inception date as a finance lease or an operating lease. Lease transactions that transfer substantially all the risk and rewards incidental

to ownership of the leased asset to the lessee are classified as finance leases. All other lease agreement are classified as operating leases. Whether an agreement constitutes a lease or contains a lease is determined upon inception of the lease.

Finance lease where substantially all the risks and benefits incidental to the ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are reflected in the statement of Profit & Loss.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term , if there is no reasonable certainty to obtain ownership by the end of the lease term.

In case of operating lease, the lease payments are recognized as expenditure in the Statement of Profit and Loss on Straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Transition to Ind AS

The Company has assessed whether a contract or an arrangement contains a lease on the basis of facts and circumstances existing at the date of transition to Ind AS.

" MCA" vide its notification dated 30th March 2019, has notified Ind AS 116 replacing existing Ind AS 17- Leases with effect from accounting year beginning on or after 01, April 2019.

After 01-04-2019 Ind AS 116:

LEASES

Company as a lessee

Recognition

At the inception of the lease, right of use is recognised at cost including any indirect costs to acquire the asset and dismantling costs (if any), reduced by lease incentives with a corresponding lease liability equal to the present value of unpaid lease payments except in the following cases :

- i. short-term leases; or
- ii. leases for which the underlying asset is of low value

In case of lease to be short term or low value lease payments associated with those leases are charged as an expense on either a straight-line basis over the lease term or another systematic basis. The company as a lessee applies another systematic basis if that basis is more representative of the pattern of the company as a lessee's benefit.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease.

Subsequent measurement (Depreciation)

The right of use is depreciated over the useful life of the underlying asset or the validity of the lease term whichever is shorter and is subject to impairment loss.

The residual values, useful lives and methods of depreciation of right of use are reviewed at each financial year end and adjusted prospectively, if appropriate.

Re-measurement of lease liability

The lease liability is re-measured (with corresponding adjustment to the right of use asset) when:

1. The lease term is revised – the lessee must reassess whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, if there is a significant event or change in circumstances that:
 - ◆ is within the lessee's control; and
 - ◆ affects whether exercise (or non-exercise) is reasonably certain.
2. Future lease payment based on an index or rate are revised.
3. The lease is modified
4. There is a change in the amounts expected to be paid under residual value guarantees.

A lessee shall remeasure the lease liability by discounting the revised lease payments, if either:

- (a) there is a change in the amounts expected to be payable under a residual value guarantee. A lessee shall determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- (b) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including for example

a change to reflect changes in market rental rates following a market rent review. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows (i.e. when the adjustment to the lease payments takes effect). A lessee shall determine the revised lease payments for the remainder of the lease term based on the revised contractual payments.

A lessee shall use an unchanged discount rate, unless the change in lease payments results from a change in floating interest rates. In that case, the lessee shall use a revised discount rate that reflects changes in the interest rate.

Lease modification

A lessee shall account for a lease modification as a separate lease if both:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the *effective date of the lease modification* a lessee shall:

- (a) allocate the consideration in the modified contract
- (b) determine the lease term of the modified lease
- (c) remeasure the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the lessee shall account for the remeasurement of the lease liability by:

- (a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The lessee shall recognise in profit or loss any gain or loss relating to the partial or full termination of the lease.

- (b) making a corresponding adjustment to the right-of-use asset for all other lease modifications

De-Recognition

A right of use asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the right of use asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the right of use asset is derecognised.

Company as a Lessor

Finance Lease

The company recognise assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The company further recognises finance income over the lease term, based on straight-line basis reflecting a constant periodic rate of return on the net investment in the lease.

Operating lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

1.14 INVENTORIES

Direct Materials, Stores and Spare Parts are valued at lower of cost or net realizable value. Cost is determined on First in First Out (FIFO) Method.

Inventories includes Spare parts of heavy vehicles, Loose Tools, welding materials, Spare parts for Plant and Machineries & others which are valued on the basis of realizable value, based on the engineering estimate.

Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

1.15 PROVISIONS AND CONTINGENT LIABILITIES

- (i) Provisions are recognized only when :
 - a. The Company has a present obligation (legal or constructive) arising as a result of a past event;

- b. That will probably give rise to a future outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. A reliable estimate can be made of the amount of the obligation.

Provision is determined by estimating the cash flows required to settle the obligation and if the effect of the time value of money is material, the carrying amount of the provisions is the present value of the cash outflows. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

- (ii) Contingent Liabilities are not recognized but are disclosed in the notes in any of the following cases:-

- a. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
- b. A reliable estimate of the present obligation cannot be made; or
- c. A possible obligation, unless the probability of outflow of resources is remote.

Contingent liability is net of estimated provisions considering possible outflow on settlement.

- (iii) Contingent assets are not recognized but are disclosed when an inflow of an economic benefit is a probable.

Contingent assets, contingent liability and provisions needed against contingent liabilities are reviewed at each balance sheet date.

1.16 EMPLOYEE BENEFITS

The Company's employee benefits mainly include Salaries, Bonuses, defined contribution to plans, Compensated absences. The employee benefits are recognised in the year in which associated services are rendered by the Company employees.

- (a) Defined Contribution Plan:

A defined contribution plan is a post –employment benefit plan under which an entity pays fixes contribution into separate funds and will have

no legal or constructive obligation to pay further amounts. The Company recognizes contribution payable to such funds / schemes as an expense, when an employee renders the related services. If the Contribution payable to the schemes for services received before the balance sheet exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet, then excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Obligations of contributions to defined benefit plans are recognized as an employee benefits expenses in the Statement of Profit & Loss in the period during which services are rendered by employees.

The Company makes contribution to the recognized provident fund – “NPCC EMPLOYEES CONTRIBUTORY PF TRUST” for its employees which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. The Company’s obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Company’s contribution to the Fund is charged to Statement of Profit and Loss.

(b) Defined benefit plans :

(i) Gratuity :

Company provides gratuity, a defined benefit plan covering eligible regular and contract employees. The gratuity plan provides a lump sum payment to vested employees of an amount based on the respective employee’s salary and the tenure of employment with the company at retirement, death, in incapacitation, or on completion of the terms of employment.

The liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each reporting date using the “Projected Unit Credit Method”, performed by an independent actuary, at the year end as follows:

- (a) The Company has established a separate Trust to administer gratuity fund relating to regular employees.
- (b) The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
- (c) Gain or loss through re- measurements of net defined benefit liability / (asset) is recognized in Other Comprehensive Income (OCI).
- (d) The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income (OCI).
- (e) Service Cost and net interest cost / (income) on the net defined benefit liability / (asset) are recognized in Statement of Profit and Loss.

The effects of any plan amendments, if any, are recognised in the Statement of profit and loss.

(ii) **Compensated Absences:**

The company operates defined benefit plan for compensated absences. The cost of providing such defined benefits is determined by actuarial valuation at each balance sheet date using the “projected unit credit method”.

(iii) **Other short-term benefits** are accounted in the period during which the services are rendered and accordingly charged to Statement of Profit and Loss.

1.17 FOREIGN CURRENCY TRANSACTIONS

Functional and Presentation Currency

The financial statements are presented in INR, which is also the functional currency of the company. A Company’s functional currency is that of the primary economic environment in which the company operates.

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date transaction first qualifies for recognition.

However, for practical reasons, the company uses an available average rate when average approximates the actual rate at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange Differences

Exchanges differences arising on settlement or translation of monetary items are recognized in the Statement of Profit or Loss.

1.18 TAXES ON INCOME

(i) Current Income tax

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India at the reporting date.

Management periodically evaluates positions taken in the tax assessments with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities, if and only if a legally enforceable rights exists to set off the recognized amounts and there is an intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Additional taxes, interest and / or penalties levied / imposed by the tax authorities / Appellate authorities on finality are recognized in the Statement of Profit and Loss.

Current tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity)

Transition to Ind AS

The Company has elected to apply Appendix - C of Ind AS -12 as Notified by "MCA" vide Notification dated 30-03-2019, effective from 01-4-2019 under which the Current Tax and Deferred Tax so calculated are adjusted

for the uncertainty of tax treatment by the tax authorities at each reporting date. i.e. as on 01-04-2018 (i.e. the Transition date).

(ii) **Deferred Taxes**

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and the laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss is recognized (either in other comprehensive income or equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.19 RATES AND TAXES

Overseas taxes on foreign assignments, service tax, GST, value added tax, alike taxes, professional tax, property taxes, entry tax, labour cess, Octroi, etc. paid / accrued in India or abroad for which credit are not available to the company are charged to the Statement of Profit or Loss.

1.20 PREPAID EXPENSES

Prepaid Expenses in the year of incurrence, are treated as current / non-current asset of the company as may be the case & are treated as expenditure/income of the respective year financial year to which it belongs and accounted for to the natural head of accounts in that respective year.

1.21 PRIOR PERIOD ADJUSTMENTS

Prior Period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets liability and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the new accounting policy prospectively from the earliest date practicable.

1.22 LIQUIDATED DAMAGES

Liquidated damages / Claims are considered on admittance basis and are recognized as expense/income in Statement of Profit or Loss on crystallization.

1.23 CORPORATE SOCIAL RESPONSIBILITY

Unspent balance, if any remaining against stipulated percentage of profits under the statute, for Corporate Social Responsibility activities are appropriated to CSR Fund Account for future utilization

1.24 DIVIDENDS

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the company's Board of Directors.

1.25 EARNING PER SHARE

In determining basic earnings per share, net profit attributable to equity shareholders is divided by weighted average number of equity shares outstanding during the period.

In determining diluted earnings per share, net profit attributable to equity shareholders is divided by weighted average number of equity shares considered for deriving basis earning per share and also weighted average number of equity

shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converting as of the beginning of the period, unless issued at the later date. Dilutive potential equity share are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.26 LEAVE TRAVEL CONCESSION

Leave Travel Concession benefit is accounted for on actual availment basis.

1.27 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the Statement of Cash Flow, Cash and Cash equivalents comprise cash on hand, balances with banks including demand deposits, other short term highly liquid investments that are subject to an insignificant risk of changes in value, are easily convertible into known amount of cash and have a maturity of three months or less from the date of acquisition or investment. The cash flow from operating, financing and investing activities is segregated.

Recent Accounting Pronouncements

In July 2020, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying amendments to Ind AS 103, 'Business Combinations', Ind AS 109, 'Financial Instruments', Ind AS 107 "Financial Instruments Disclosures", Ind AS 116, "Leases" Ind AS 1 "Presentation of Financial Statements" Ind AS 8 "Accounting Policies, Changes in Accounting Estimates" and Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets". These amendments rules are applicable to the Company from 1 April 2020."

- Ind AS - 116, Leases :-

- (i) after paragraph 46, the following shall be inserted, namely:-

"46A As a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification.

46B The practical expedient in paragraph 46A applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:-

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - (b) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before the 30th June, 2021 and increased lease payments that extend beyond the 30th June, 2021); and
 - (c) there is no substantive change to other terms and conditions of the lease;
- (ii) after paragraph 60, the following shall be inserted, namely:-

“60A If a lessee applies the practical expedient in paragraph 46A, the lessee shall disclose-

- (a) that it has applied the practical expedient to all rent concessions that meet the conditions in paragraph 46B or, if not applied to all such rent concessions, information about the nature of the contracts to which it has applied the practical expedient (see paragraph 2); and
 - (b) the amount recognised in profit or loss for the reporting period to reflect changes in lease payments that arise from rent concessions to which the lessee has applied the practical expedient in paragraph;
- (iii) in Appendix C,
- (a) after paragraph C1, the following paragraph shall be inserted, namely:-

“C1A Covid-19-Related Rent Concessions, added paragraphs 46A, 46B, 60A, C20A and C20B. A lessee shall apply that amendment for annual reporting periods beginning on or after the April 1st, 2020. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1st, 2019.”;

(a) after paragraph C20, the following shall be inserted, namely:-

“Covid-19-related rent concessions for lessees

C20A A lessee shall apply *Covid-19-Related Rent Concessions* (see paragraph C1A) retrospectively, recognising the cumulative effect of initially applying that amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

C20B In the reporting period in which a lessee first applies *Covid-19-Related Rent Concessions*, a lessee is not required to disclose the information required by paragraph 28(f) of Ind AS 8.”;

The Company is evaluating the requirements of practical expedient along with impact of COVID 19 related rent concessions for lessees which will be effective for annual periods beginning on or after 01, April 2020 as permitted in Para C1A of Notification.

Ind AS 1 “ Presentation of Financial Statements”

In July, 2020 MCA has substitute the definition of the term “ Material” as under :-

“Material:

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.

Materiality depends on the nature or magnitude of information, or both. An entity assesses whether information, either individually or in combination with other information, is material in the context of its financial statements taken as a whole.

Information is obscured if it is communicated in a way that would have a similar effect for primary users of financial statements to omitting or misstating that information. The following are examples of circumstances that may result in material information being obscured:-

- (a) information regarding a material item, transaction or other event is disclosed in the financial statements but the language used is vague or unclear;
- (b) information regarding a material item, transaction or other event is scattered throughout the financial statements;
- (c) dissimilar items, transactions or other events are inappropriately aggregated;

- (d) similar items, transactions or other events are inappropriately disaggregated; and
- (e) the understandability of the financial statements is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material.

Assessing whether information could reasonably be expected to influence decisions made by the primary users of a specific reporting entity's general purpose financial statements requires an entity to consider the characteristics of those users while also considering the entity's own circumstances.

Many existing and potential investors, lenders and other creditors cannot require reporting entities to provide information directly to them and must rely on general purpose financial statements for much of the financial information they need. Consequently, they are the primary users to whom general purpose financial statements are directed. Financial statements are prepared for users who have a reasonable knowledge of business and economic activities and who review and analyse the information diligently. At times, even well-informed and diligent users may need to seek the aid of an adviser to understand information about complex economic phenomena.”;

10. Paragraphs 139 to 139M and 139O-139P related to Transition and Effective Date have not been included in Ind AS 1 as these are not relevant in Indian context. Paragraph 139R relates to IFRS 17, Insurance Contracts, for which corresponding Ind AS is under formulation. Paragraph 139S is not included since it relates to amendments due to Conceptual Framework for Financial Reporting under IFRS Standards for which corresponding Conceptual Framework for Financial Reporting under Indian Accounting Standards is under formulation. However, in order to maintain consistency with paragraph numbers of IAS 1, these paragraph numbers are retained in Ind AS 1.”;

Ind AS 8 “ Accounting Policies, Changes in Accounting Estimates and Errors” :-

- (i) in paragraph 5, for the definition of term “Material”, the following shall be substituted, namely:-

“the term “Material”, used in this Standard shall have the same meaning as assigned to it in paragraph 7 of Ind AS 1.”;

The company is evaluating the impact of amendments and will be given effect prospectively for annual periods beginning on or after 1st April, 2020.

Ind AS 10 “Events after Reporting Period” :-

“21 If non-adjusting events after the reporting period are material, non-disclosure 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. Accordingly, an entity shall disclose the following for each material category of non-adjusting event after the reporting period-

- (a) the nature of the event; and
- (b) an estimate of its financial effect, or a statement that such an estimate cannot be made;

The company is evaluating the impact of amendments and will be given effect prospectively for annual periods beginning on or after 1st April, 2020.

Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”, –

“75 A management or board decision to restructure taken before the end of the reporting period does not give rise to a constructive obligation at the end of the reporting period unless the entity has, before the end of the reporting period-

- (a) started to implement the restructuring plan; or
- (b) announced the main features of the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the entity will carry out the

If an entity starts to implement a restructuring plan, or announces its main features to those affected, only after the reporting period, disclosure is required under Ind AS 10 *Events after the Reporting Period*, if the restructuring is material and non-disclosure 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 company is evaluating the impact of amendments and will be given effect prospectively for annual periods beginning on or after 1st April, 2020.

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
PROPERTY PLANT & EQUIPMENT

NOTE - 2

(Rs. In Lakh)

Gross Carrying Amount	Freehold Land	**Leasehold Land	Freehold Building	**Leasehold Building	Temporary constructions	Machinery	Furniture & Fixture	Vehicle	Office Equipment	Works Equipment	Electrical Works	Computers	Books	Total
Deemed Cost as at 1 st April, 2018	235.67	19.45	3,043.97	34.73	325.64	1,250.16	172.39	332.09	56.83	143.00	357.11	140.05	4.35	6,115.43
Additions During 2018-19	-	-	10.82	-	-	-	55.28	32.50	18.89	-	31.65	27.59	0.14	176.86
Disposal / Assets written off:	-	-	-	-	6.99	118.10	6.16	12.45	6.28	33.58	1.35	16.33	0.07	201.31
Balance as at 31.03.2019	235.67	19.45	3,054.79	34.73	318.65	1,132.06	221.51	352.14	69.44	109.42	387.41	151.30	4.42	6,090.98
Additions During 2019-20	-	-	0.15	-	-	2.28	5.09	39.64	14.93	-	13.64	14.87	0.05	90.66
Disposal / Assets written off:	-	-	-	-	-	111.52	21.50	50.06	25.21	14.68	14.67	30.07	3.60	284.71
Balance as at 31.03.2020	235.67	19.45	3,054.94	34.73	305.26	1,022.82	205.10	341.72	59.16	94.73	386.38	136.11	0.87	5,896.93
Accumulated Depreciation as at 2018	-	3.34	83.49	3.56	325.03	990.24	77.10	255.57	46.72	107.94	71.69	107.94	3.65	2,076.28
Charge for the year	-	0.21	48.21	0.55	-	20.07	18.28	14.03	3.73	3.36	33.94	18.32	0.13	160.83
Adjustments for Disposals	-	-	-	-	6.99	112.27	5.68	0.50	6.02	32.17	0.95	12.79	0.05	177.41
Balance as at 31.03.2019	-	3.55	131.70	4.10	318.04	898.04	89.70	269.11	44.43	79.13	104.69	113.47	3.73	2,059.70
Charge for the year	-	0.21	48.30	0.55	-	17.04	16.01	15.65	6.77	3.09	35.88	19.29	0.07	162.85
Adjustment for Disposals	-	-	-	-	13.39	103.80	20.21	28.17	24.28	11.97	13.53	28.18	3.20	246.74
Balance as at 31.03.2020	-	3.77	180.00	4.65	304.65	811.28	85.50	256.59	26.91	70.25	127.03	104.58	0.60	1,975.81
Provision as at 01.04.2018**	-	-	-	-	-	32.33	-	1.65	-	4.28	-	-	-	38.26
Impairment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision reversed during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2019	-	-	-	-	-	32.33	-	1.65	-	4.28	-	-	-	38.26
Impairment during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision reversed during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2020	-	-	-	-	-	32.33	-	1.65	-	4.28	-	-	-	38.26
Net Book Value (Deemed Cost) as at 01.04.2018*	235.67	16.10	2,960.48	31.17	0.62	227.59	95.28	74.86	10.11	30.78	285.42	32.11	0.71	4,000.89
Net Book Value as at 31.03.2019	235.67	15.89	2,923.09	30.62	0.62	201.70	131.81	81.37	25.01	26.00	282.73	37.83	0.69	3,993.02
Net Book Value as at 31.03.2020	235.67	15.68	2,874.94	30.07	0.62	179.21	119.60	83.48	32.25	20.21	259.35	31.53	0.27	3,882.86

* On Transition Date, as per para D7AA of IND AS 101, the company has elected to continue with carrying value of its property, plant, equipment as deemed cost. Hence net carrying value under previous GAAP as on 31st March, 2018 is recognised as deemed cost as on 01st April, 2018

** Lease hold includes a property of 2099.50 sq.m. located at Parivahan Nagar, Matigara (Siliguri), Darjeeling (WB) acquired at Rs. 12.55 Lakh. Since, the aforesaid land is taken at a period of 99 years lease this is, amortization thereagainst has not been not provided on the basis of materiality.

*** Property Plant and Equipment include assets with gross block of Rs. 652.97 Lakh and net block of Rs. 38.26 Lakh confiscated by Project Authorities which are unadjusted pending settlement of account. Provision of Net WDV of Rs. 38.26 Lakh have been made during the year 2017-18.

NOTE - 2A

RIGHT-OF-USE OF ASSET

(Rs. In Lakh)

Particulars	Right To Use
Cost As 01.04.2018	226.64
Additions during the Year	49.50
Adjustment	-
Balance as at 31.03.2019	276.14
Additions during the Year	50.31
Adjustment	(2.86)
Balance as at 31.03.2020	323.59
Accumulated Amortisation as at 2018	-
Depreciation charge for the year	97.47
Adjustment	-
Balance as at 31.03.2019	97.47
Depreciation charge for the year	106.99
Adjustment	-
Balance as at 31.03.2020	204.46
Net Book Value as at 01.04.2018	226.64
Net Book Value as at 31.03.2019	178.67
Net Book Value as at 31.03.2020	119.13

Refer Note 36

NOTE - 2B

INTANGIBLE ASSET

(Rs. In Lakh)

Other Intangible Assets	Computer Software
Gross Carrying Amount	
Deemed Cost As 01.04.2018	-
Additions	10.00
Disposal / Assets written off	-
Balance as at 31.03.2019	10.00
Additions	-
Disposal / Assets written off	-
Balance as at 31.03.2020	10.00
Accumulated Amortisation as at 2018	-
Amortisation charge for the year	0.53
Adjustment for Disposal	-
Balance as at 31.03.2019	0.53
Amortisation charge for the year	3.17
Adjustment for Disposal	-
Balance as at 31.03.2020	3.69
Net Book Value (deemed cost) as at 01.04.2018 *	-
Net Book Value as at 31.03.2019	9.47
Net Book Value as at 31.03.2020	6.31

* On transition date, as per Para DTAA of IND AS 101, the company has elected to continue with carrying value of all of it's other intangible assets as deemed cost. Hence Net carrying value under previous GAAP as on 31.03.2018 is recognised as on 01.04.2018.

NOTE - 3

OTHER FINANCIAL ASSETS - NON-CURRENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured, Considered Good			
Security Deposits/ EMD*	1,300.06	999.91	1,036.75
Retention Money	1,560.31	1,772.27	1,614.02
Bank deposits with maturity more than 12 months#	6,810.58	5,103.95	7,050.43
Interest Accrued on Bank Deposits with maturity more than 12 months	84.01	28.66	20.80
Unsecured, considered doubtful			
Security Deposits/ EMD**	219.19	255.32	369.30
Less : Allowance for expected credit loss	(219.19)	(255.32)	(369.30)
	-	-	-
Retention Money**	317.43	281.59	486.87
Less : Allowance for expected credit loss	(317.43)	(281.59)	(486.87)
	-	-	-
Unbilled Revenue	337.30	534.39	545.34
Less : Allowance for Impairment	(234.22)	(254.73)	-
	103.07	279.65	545.34
Total :	9,858.03	8,184.45	10,267.34

* The above includes Security/EMD in the form of Bank FDR with maturity more than 12 months amounting to Rs. 17.67 lakh (Previous year as at 31.03.2019 Rs. 22.87 Lakh, as at 01.04.2018 Rs. 12.62 Lakh)

** In the opinion of the Management, the Allowance held against Doubtful Retention Money is adequate to meet any loss on account of irrecoverability of retention

The above includes Bank deposit of Rs.2973.65 Lakh held as margin money/ security against bank guarantees. (Previous year as at 31.03.2019 Rs.4389.54 lakh, as at 01.04.2018 Rs. 5404.66 Lakh)

Refer Note No. 42

OTHER FINANCIAL ASSETS - CURRENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured, Considered Good			
Advances to Staff	59.09	69.43	63.54
Less: Allowance for Impairment	(26.77)	(27.86)	(27.86)
	32.32	41.58	35.68
Unsecured, Considered Good			
Security Deposits/ EMD*	687.97	1,845.43	1,122.56
Retention Money	4,126.28	5,398.49	5,710.94
Unsecured, considered doubtful			
Security Deposits/ EMD**	7.16	17.54	0.15
Less : Allowance for expected credit loss	(7.16)	(17.54)	(0.15)
	-	-	-
Retention Money**	116.40	186.05	191.46
Less : Allowance for expected credit loss	(116.40)	(186.05)	(191.46)
	-	-	-
Interest Accrued on Deposits	3,677.58	2,807.11	1,544.19
Unbilled Revenue	25,640.44	8,755.85	6,295.00
CPF Trust	89.15	206.61	1.34
Silver Momentos	0.57	0.57	0.62
Total :	34,254.31	19,055.64	14,710.32

* The above includes EMD/Security in the form of bank FDR amounting to Rs. 353.08 lakhs(Previous Year as at 31.03.2019 Rs. 1115.58 Lakh, as at 01.04.2018 Rs. 444.37 Lakh)

** In the opinion of the Management, the Allowance held against Doubtful Retention Money is adequate to meet any loss on account of irrecoverability of retention

Refer Note No. 42

NOTE - 4

DEFERRED TAX ASSETS (NET)

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred tax assets arising on			
Employee Benefits			
Provision for Leave Encashment	428.54	649.41	671.51
Provision for Gratuity-Regular	409.30	699.21	699.51
Provision for Gratuity-Workcharge	342.19	630.89	541.25
Provision for Bonus	0.70	-	-
VRS Expenses	0.03	35.65	96.13
Provision for Litigation Expenses	204.51	-	-
Lease Liability	32.66	65.74	-
Allowance for Expected Credit Loss	1,903.95	3,375.18	3,420.11
Deferred Tax Liabilities arising on			
Difference of WDV as per CO and IT Act	313.13	380.10	294.63
Right to Use of Leased Assets	29.98	62.43	-
Total :	2,978.75	5,013.55	5,133.87

Refer Note No. 45-47

NOTE - 5

OTHER NON-CURRENT ASSETS

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Secured, Considered Good			
Advances to suppliers & sub contractors	1,141.29	414.55	1,172.52
Unsecured, Considered Good			
Advances to suppliers & sub contractors	739.43	1,843.84	1,046.81
Prepaid Expenses	-	-	-
Prepaid Expenses on discounting of SD	0.22	0.44	0.54
Unsecured, Considered Doubtful			
Advances to suppliers & sub contractors	1,839.44	2,004.50	2,005.04
Less: Allowance for Impairment	(1,839.44)	(2,004.50)	(2,005.04)
	-	-	-
Total :	1,880.94	2,258.83	2,219.87

NOTE - 6

TRADE RECEIVABLES-NON-CURRENT ASSETS

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured, considered good	12,489.58	15,515.49	13,114.58
Unsecured, considered doubtful	2,751.93	4,829.96	5,177.72
	15,241.51	20,345.45	18,292.30
Less: Allowance for expected credit loss#	(2,751.93)	(4,829.96)	(5,177.72)
Total :	12,489.58	15,515.49	13,114.58

In the opinion of the Management, the Allowance against Doubtful Trade Receivables is adequate to meet any loss on account of irrecoverability of Trade Receivables.

Refer Note No.42

TRADE RECEIVABLES-CURRENT ASSETS

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured, considered good	26,906.63	22,848.95	26,771.98
Unsecured, considered doubtful	1,400.45	1,246.72	974.44
	28,307.08	24,095.67	27,746.42
Less: Allowance for expected credit loss#	(1,400.45)	(1,246.72)	(974.44)
Total :	26,906.63	22,848.95	26,771.98

In the opinion of the Management, the Allowance against Doubtful Trade Receivables is adequate to meet any loss on account of irrecoverability of Trade Receivables.

Refer Note No.42

NOTE - 7

INVENTORIES*

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Stores and Spares (including construction material in hand, at sites and in transit)	113.88	117.40	121.45
Less: Allowance for Impairment	(107.11)	(108.61)	(108.61)
	6.77	8.79	12.85
Tools in hand	0.15	0.15	0.21
Total :	6.92	8.94	13.06

* Inventory of stores & spares and tools has been taken, valued & certified by the Management.

NOTE - 8

CASH AND CASH EQUIVALENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Balance with banks in current A/C's	22,290.07	28,460.08	29,628.42
Balances with Banks in Foreign States with repatriation restrictions*	383.69	383.69	383.69
Less: Allowance for Impairment	(383.69)	(383.69)	(383.69)
	-	-	-
Cheque in hand	76.20	2,455.39	27.69
Bank deposits having original maturity less than 3 months	10,971.10	20,612.41	10,329.35
Cash on Hand	0.00	0.23	0.23
Total :	33,337.38	51,528.12	39,985.68

* Refer Note No. 37

Refer Note 42

NOTE - 9

OTHER BANK BALANCES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Balance with bank in deposit account having maturity of more than three months but are due for maturity within twelve months from balance sheet date#	63,030.51	31,827.03	19,404.20
Total :	63,030.51	31,827.03	19,404.20

The above include bank deposits Rs 3445.69 lakhs (previous year as on 31st March, 2019 Rs. 6547.70 Lakhs and previous year 1st April, 2018 Rs 6528.45 Lakhs) held as margin money/ security against bank guarantees having maturity of less than 12 months from reporting date.

NOTE - 10

OTHER CURRENT ASSETS

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advance Income Tax and TDS {net of provision of taxation amounting Rs 2,331.64 Lakhs (previous year 31 st March, 2019 amounting Rs 1,952.14 Lakhs and previous year 1st April, 2018 amounting Rs 1333.44 Lakhs)}	5,702.85	2,953.80	5,317.41
Secured, considered Good			
Advances to Suppliers & Sub-Contractors	4,786.81	6,540.66	3,020.43
Unsecured, considered Good			
Advances to Suppliers & Sub-Contractors	1,021.81	1,759.11	661.15
Prepaid Expenses	6.36	20.62	36.34
Prepaid Expenses on discounting of SD	0.34	0.30	0.22
Balance with Government authorities	2,953.04	3,488.49	1,598.00
Amount deposited with various Courts/ Authorities	931.86	933.73	697.37
Unsecured, considered doubtful			
Advances to Suppliers & Sub-Contractors	-	62.26	62.26
Less: Allowance for Impairment	(-)	(62.26)	(62.26)
	-	-	-
Inter-unit Remittance Account	162.94	160.58	166.59
Less: Allowance for Impairment	(161.16)	-	-
	1.77	160.58	166.59
Total :	15,404.84	15,857.30	11,497.50

NOTE - 11

**SHARE CAPITAL
EQUITY SHARE CAPITAL**

PARTICULARS	(Amount in Rupees)					
	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity Shares of Rs. 1000/- each at par value	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000
Issued, Subscribed & Paid up						
Equity Shares of Rs. 1000/- each of par value	9,45,316	94,53,16,000	9,45,316	94,53,16,000	9,45,316	94,53,16,000
Total :	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000

Reconciliation of Equity Shares as at March 31st 2020, March 31st 2019 and April 01, 2018

PARTICULARS	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	Amount	Number	Amount	Number	Amount
Shares Outstanding at the beginning of the year	9,45,316	94,53,16,000	9,45,316	94,53,16,000	9,45,316	94,53,16,000
Add: Shares Issued during the year	-	-	-	-	-	-
Shares Outstanding at the end of the year	9,45,316	94,53,16,000	9,45,316	94,53,16,000	9,45,316	94,53,16,000

List of shareholders holding more than 5% shares in the company:

PARTICULARS	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	Number	% of share holding	Number	% of share holding	Number	% of share holding
Equity Shares of Rs. 1000/- each of par value	9,34,821	98.89	-	-	-	-
WAPCOS Limited	-	-	9,34,821	98.89	9,34,821	98.89
President of India	-	-	-	-	-	-

NOTE - 12

OTHER EQUITY

NATURE AND PURPOSES OF RESERVES & SURPLUS

1. General Reserves:

General reserves represents the reserves, this is in accordance with Corporate Law wherein a portion of profit is apportioned to General Reserve. Under Companies Act, 1956 it was mandatory to transfer the amount for company can declare dividend, however under Companies Act 2013 transfer of any amount to General Reserves is at the discretion of the company.

2. Surplus

Profits made by the company during the year are transferred to surplus from Statement of Profit and Loss.

3. Other Comprehensive Income

Other Comprehensive Income represents balance arising on account of Gain Loss booked on Remeasurement of Defined Benefit Plans in accordance with Ind AS 19 Employee Benefits.

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
General Reserve			
Surplus	9,683.16	7,754.42	6,609.60
Other Comprehensive Income	(170.07)	(222.59)	-
Total :	9,513.09	7,531.83	6,609.60

NOTE - 13

NON-CURRENT LIABILITIES

TRADE PAYABLES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
- Total outstanding dues of Micro, Small & Medium Enterprises	-	-	-
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	11,806.44	16,261.75	16,840.44
Total :	11,806.44	16,261.75	16,840.44

Refer Note No. 42

NOTE - 14

PROVISIONS

PROVISIONS - NON-CURRENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employees Benefits			
Gratuity-Workmen	804.67	1,067.81	1,118.35
Leave Encashment	1,141.36	1,191.22	1,309.19
Leave Travel Concession	-	-	-
Total :	1,946.02	2,259.03	2,427.53

For movements in each class of provision during Financial Year (Refer Note 27)

PROVISIONS - CURRENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employee Benefits			
Gratuity-Workmen	523.21	531.95	368.37
Leave Encashment	451.56	507.47	426.41
Total :	974.77	1,039.42	794.78

For movements in each class of provision during Financial Year (Refer Note 27)

NOTE - 15

OTHER FINANCIAL LIABILITIES

OTHER NON-CURRENT FINANCIAL LIABILITIES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease Liabilities*	48.85	92.68	148.47
Earnest Money and Security Deposits	12,765.86	14,739.43	16,104.14
Interest Payable			
--On Advances from Clients	341.18	488.83	488.83
Other Payables	4,079.15	3,105.45	852.46
Total :	17,235.04	18,426.40	17,593.89

Refer Note No. 42

* Refer Note No. 36

OTHER CURRENT FINANCIAL LIABILITIES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Lease Liabilities	80.91	95.45	78.17
Earnest Money and Security Deposits	17,875.76	14,691.43	13,618.17
Interest Payable			
-- On Advances from Clients	-	0.35	2.71
-- On Government of India(GOI) Loan	-	-	502.96
Bank Gurantee Charges Payable to GOI	-	-	259.00
Payable to Gratuity Trust	1,626.26	2,000.96	2,001.80
Payable to Employees	565.15	967.28	1,996.08
Other Payables	2,453.53	1,743.47	3,561.16
Total :	22,601.61	19,498.93	22,020.04

Refer Note No. 42

NOTE - 16

OTHER LIABILITIES

OTHER NON-CURRENT LIABILITIES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advances from Clients	4,832.21	6,274.31	5,946.69
Total :	4,832.21	6,274.31	5,946.69

OTHER CURRENT LIABILITIES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Advances from Clients	60,493.10	55,195.06	27,890.88
Statutory Dues	4,123.47	4,101.68	1,769.29
Total :	64,616.58	59,296.74	29,660.16

NOTE - 17

TRADE PAYABLES- CURRENT

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
- Total outstanding dues of Micro, Small & Medium Enterprises	1,285.36	-	-
- Total outstanding dues of creditors other than Micro, Small & Medium Enterprises	59,891.90	36,237.89	35,999.62
Total :	61,177.26	36,237.89	35,999.62

Refer Note No. 42

Note - 18

Revenue from operations

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Construction Contracts	130,920.90	101,352.17
Total :	130,920.90	101,352.17

NOTE - 19

OTHER INCOME

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Income	3,665.33	3,352.53
Other non-operating income	1,059.81	553.91
Total :	4,725.14	3,906.45

NOTE - 20

CONSTRUCTION EXPENSES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
For Construction Projects	123,195.10	93,582.71
Total :	123,195.10	93,582.71

NOTE - 21

EMPLOYEE BENEFIT EXPENSES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Salaries, Remuneration, Incentives and Bonus	5,408.71	5,827.79
Contributions to Provident & Other Funds	1,381.57	1,591.06
Staff Welfare Expenses	79.04	155.72
Total :	6,869.31	7,574.57

NOTE - 22

FINANCE COST

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Finance Cost	15.34	17.37
Total :	15.34	17.37

NOTE - 23

DEPRECIATION AND AMORTIZATION EXPENSES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation and Amortization Expenses	273.01	258.83
Total :	273.01	258.83

NOTE - 24

CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Corporate Social Responsibility (CSR)	22.72	55.12
Total :	22.72	55.12

Refer Note No. 34

NOTE - 25

OTHER EXPENSES

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Power and Fuel	57.38	64.08
Short Term Leases	3.72	7.74
Repairs to buildings	104.00	134.30
Repairs & Maintenance- Others	2.52	13.05
Insurance	5.19	4.26
Rates and taxes	0.02	0.06
Printing and Stationery	48.28	40.44
Travelling Expenses - India	241.11	279.80
- Overseas	-	4.65
Expenditure on Vehicle & Conveyance	120.05	182.24
Hiring of Vehicle	131.80	108.44
Directors' Sitting Fees	2.73	2.18
Postage, Telephone & Telegrams	27.42	31.11
Advertisement and Publicity	9.86	131.96
Technical Fee/Consultancy	88.62	247.12
Exchange Variation	-	-
Payment to Auditors -		
(a) Statutory Audit Fees	10.11	9.55
(b) Tax Audit Fee	4.46	3.88
(c) Travelling Expenses	22.86	22.90
Bank Charges and Gurantee Commission	116.36	219.76
Miscellaneous expenses	320.29	350.13
Provision for Bad & Doubtful Debts	633.31	442.00
Provision for Legal Claims	783.80	-
Loss on Sale of Scrap, Stores etc.(Net)	-	-
Loss on CPF Trust	50.59	53.42
Total :	2,784.48	2,353.06

NOTE - 26

EXCEPTIONAL ITEMS

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Expenses		
Litigation	28.77	16.18
Reduction in construction expenses	(1,773.30)	(455.19)
Bad Debts/Other Balances Written off	7,359.36	12.02
Loss on sale of Property, Plant and Equipment	-	-
(A)	5,614.83	(426.99)
Provisions Written Back	2,553.35	690.31
Liabilities Written Back	7,147.41	166.74
Profit on sale of Property, Plant and Equipment	4.15	54.35
Reduction in revenue	(2,027.67)	(501.21)
(B)	7,677.25	410.20
Total (A-B)	2,062.42	837.18

NOTES TO FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

NOTE - 27 EMPLOYEE BENEFITS

Defined Contribution Plan

The amount recognized as an expense in defined contribution plan is as under:-

(Rs. In Lakh)

Particulars	As at 31 st March 2020	As at 31 st March 2019
Contributory Provident Fund	514.21	503.43

All eligible employees of the company are entitled to receive benefits under the Provident Fund, a defined contributory plan, set up through a Trust named as **“NPCC LTD. Employees Contributory Provident Fund Trust”**. Both employee and employer contribute monthly at a determined rate as specified under the law to the Trust. The obligation of the company is limited to such contribution and to make good the shortfall, if any, between the returns from the investments of the trust and the notified interest rate. Short fall, if any, is recognized as an expense during the year. As per actuarial valuation, present value of the expected future earnings on the fund is higher than the expected amount to be contributed to the individual members based on the expected guaranteed rate of interest, resulting in no liability on the company. In terms of said valuation the Company has no liability towards interest rate guarantee as on 31 March 2020, 31 March 2019 and 1 April 2018.

Defined Benefits Plans

Company is having the following Defined Benefit Plans:

- ◆ Gratuity (Unfunded)
- ◆ Leave Encashment (Unfunded)

Risks associated with the Plan provisions are actuarial risks. These risks are:

(i) Investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) Salary Risk.

Investment Risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest risk (discount rate)	A decrease in the bond interest rate (discount rate) will increase the plan liability.
Mortality Risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2006-08) ultimate table A change in mortality rate will have a bearing on the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Medical expense inflation risk	The present value of the defined benefit plan liability is calculated with the assumption of medical expense inflation increase rate of plan participants in future. Deviation in the rate of increase of medical expense inflation in future for plan participants from the rate of increase in medical expense used to determine the present value of obligation will have a bearing on the plan's liability.
Cash allowance inflation risk	The present value of the defined benefit plan liability is calculated with the assumption of cash allowance inflation increase rate of plan participants in future. Deviation in the rate of increase of cash allowance in future for plan participants from the rate of increase in cash allowance used to determine the present value of obligation will have a bearing on the plan's liability.

Disclosures Related to Funded/ Unfunded obligations

a) The amounts recognized in the balance sheet

(Rs. In Lakh)

Particulars	Gratuity Regular (Unfunded)			Gratuity Workmen (Unfunded)			Leave Encashment (unfunded)		
	31 st March 2020	31 st March 2019	1 April 2018	31 st March 2020	31 st March 2019	1 April 2018	31 st March 2020	31 st March 2019	1 April 2018
Present value of obligations as at the end of year	1765.14	1882.30	1956.48	1327.87	1599.75	1486.71	1592.91	1698.70	1735.59
Fair value of plan assets as at the end of the year	226.42	207.20	277.11	-	-	-	-	-	-
Funded status	(1538.71)	(1675.10)	(1679.37)	(1327.87)	(1599.75)	(1486.71)	(1592.92)	(1698.70)	
Net(asset)/liability recognized in balance sheet	1538.72	1675.10	1679.37	1327.87	1599.75	1486.71	1592.92	1698.70	

b) Expenses recognized in the Statement of Profit & Loss

Particulars	Gratuity Regular (Unfunded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Current Service Cost	99.29	96.57	36.95	44.13	116.01	117.55
Past Service Cost	-	-	-	-	-	-
Interest cost on defined benefit obligation	129.12	151.63	109.74	115.22	116.53	134.51
Interest income on plan assets	13.92	13.26	-	-	-	-
Re- measurements	-	-	-	-	-	-
Expenses recognized in the Statement of Profit & Loss	214.20	226.72	146.70	159.35	232.54	252.06

c) Expenses recognized in Other Comprehensive Income

Particulars	Gratuity Regular (Unfunded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Return on Plan Assets	14.21	21.47	-	-	-	-
Actuarial (gains)/ loss	(0.29)	(8.21)	(50.94)	301.59	(19.23)	40.56
Expenses recognized in Other Comprehensive Income	439.99	268.59	(50.94)	301.59	(19.23)	40.56

d) Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

(Rs. In Lakh)

Particulars	Gratuity Regular (Unfunded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Present value of obligations as at beginning of year	1882.30	1956.48	1599.75	1486.71	1698.70	1735.59
Interest cost	129.12	151.63	109.74	115.22	116.53	134.51
Current service cost	99.29	96.57	36.95	44.13	116.01	117.55
Actuarial (gains)/ losses arising from						
Changes in demographic assumptions	-	-	-	-	-	-
Changes in financial assumptions	68.57	9.11	36.08	(35.96)	64.15	(1.01)
Experience adjustments	371.43	259.49	(87.03)	337.54	(83.38)	41.57
Past service cost	-	-	-	-	-	-
Benefits paid	(785.57)	(590.97)	(367.63)	(347.91)	(319.08)	(329.52)
Present value of obligations as at end of year	1765.14	1882.30	1327.87	1599.75	1592.92	1698.70

e) Reconciliation of Opening and Closing Balances of Fair value of plan assets

(Rs. In Lakh)

Particulars	Gratuity Regular (Unfunded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Fair value of plan assets on beginning of year	207.20	277.11	-	-	-	-
Interest Income	13.92	13.26	-	-	-	-
Re-measurement gain/(loss)- Return on Plan Assets excluding amounts included in net interest expense	-	-	-	-	-	-
Contribution from the employer	790.87	507.80	-	-	-	-
Benefits Paid	(785.57)	(590.97)	-	-	-	-
Fair value of plan assets at end of year	226.42	207.20	-	-	-	-

f) Actuarial Assumptions

(Rs. In Lakh)

Particulars	Gratuity Regular (Unfunded)				Gratuity Workmen (Unfunded)				Leave Encashment (Unfunded)			
	31 st March 2020	31 st March 2019	1 st April 2018		31 st March 2020	31 st March 2019	1 st April 2018		31 st March 2020	31 st March 2019	1 st April 2018	
Discount rate	6.86%	7.75%	7.75%		6.86%	7.75%	7.75%		6.86%	7.75%	7.75%	
Expected rate of future salary increase	6%	6%	6%		6%	6%	6%		6%	6%	6%	
Increase in Compensation levels	-	-	-		-	-	-		-	-	-	
Retirement age	60/58	60/58	60/58		60/58	60/58	60/58		60/58	60/58	60/58	

g) Maturity profile of Defined benefit obligation

(Rs. In Lakh)

Particulars	Gratuity Regular (Unfunded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Weighted average of the defined benefit obligation	-	-			-	-
Duration of defined benefit obligation- from the fund	5	4	2	2	6	5
Duration (years)						
1	490.19	527.42	523.21	521.42	-	-
2	334.73	368.62	407.79	401.09	-	-
3	265.09	260.36	210.08	331.90	-	-
4	135.79	219.70	116.91	174.28	-	-
5	133.80	110.58	32.61	100.52		
Above 5	404.54	395.61	37.26	70.53	-	-
Total	1765.14	1882.29	1327.87	1599.75	-	-
Duration of defined benefit payments-from the employer						

h) Sensitivity Analysis

(Rs. In Lakh)

Sensitivity analysis in respect of Gratuity Regular (Unfunded)						
Particulars	Change in assumption		Increase in defined benefit obligation		Decrease in defined benefit obligation	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Increase/(Decrease) in discount rate	+/-	1%	64.45	62.50	(70.91)	(67.86)
Expected rate of future salary increase	+/-	1%	(70.91)	(67.24)	64.97	(62.99)
Expected change in rate of employee turnover	+/-	1%	(0.89)	(2.71)	1.15	3.17

(Rs. In Lakh)

Sensitivity analysis in respect of Gratuity Workmen (Unfunded)						
Particulars	Change in assumption		Increase in defined benefit obligation		Decrease in defined benefit obligation	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Increase/(Decrease) in discount rate	+/-	1%	25.18	34.62	(26.09)	(35.98)
Expected rate of future salary increase	+/-	1%	(26.03)	(36.16)	25.63	35.48
Expected change in rate of employee turnover	+/-	1%	(0.20)	(0.73)	0.15	0.74

(Rs. In Lakh)

Sensitivity analysis in respect of Leave Encashment (Unfunded)						
Particulars	Change in assumption		Increase in defined benefit obligation		Decrease in defined benefit obligation	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Increase/(Decrease) in discount rate	+/-	1%	63.48	-	(71.19)	-
Expected rate of future salary increase	+/-	1%	(71.08)	-	64.56	-

* **Changes in Defined benefit obligation due to 1% Increase/Decrease in Mortality Rate, if all other assumptions remain constant is negligible.**

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined obligation has been calculated using the projected unit credit method at the end of the report period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the statement of financial position.

There is no change in the method of the valuation for the prior period. For change in assumption please refer to table (f) above, where assumptions for prior period are given.

Note - 28: In terms of Indian Accounting Standard (Ind AS 37) “Provisions, Contingent liabilities and contingent assets”, the required disclosures are as under:-

Movement of Provisions:

(Rs. In Lakh)

Particulars	Gratuity Workmen		Leave Encashment	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Balance at the beginning of the year	1599.75	1486.71	1698.70	1735.59
Additional Provisions during the year	95.76	460.95	213.30	292.63
Provision used during the year	(367.63)	(347.91)	(319.08)	(329.52)
Provisions reversed during the year	--	--	--	--
Closing Balance	1327.88	1599.75	1592.92	1698.70

Figures in the brackets are in respect of previous years.

Note - 29: Earnings / (Loss) per Share

Earnings per Share (“EPS”) is determined based on the net profit attributable to the shareholders’ of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

(Rs. In Lakh)

Particulars	31 st March 2020	31 st March 2019
Profit / (Loss) attributable to equity shareholders (Amount in Lakhs)	1981.23	1172.94
Weighted Average number of equity shares outstanding during the year (in numbers)	9,45,316	9,45,316
Nominal Value per Share (in Rs)	1000	1000

Particulars	31 st March 2020	31 st March 2019
Earnings per share (in Rs)		
Basic Earnings (Loss) per share	209.58	124.08
Diluted Earnings (Loss) per share	209.58	124.08

Note - 30: Dividend and Reserves

(Rs. In Lakh)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Cash Dividend on Equity Shares declared and paid	--	-
Final Dividend paid	--	207.97*
Dividend Distribution Tax paid on final dividend paid	--	42.75*
Interim Dividend	--	--
Dividend Distribution Tax on interim dividend	--	--

* The Company has not declared any dividend for the F.Y 2018-19 and 2019-20. The figures depicts the dividend paid for the F.Y 2017-18 declared and paid in F.Y 2018-19.

Note - 31: In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006*, the amount due to these enterprises are required to be disclosed. These enterprises are required to be registered under that Act. The Company has asked the vendors the status of MSME registration. Details of dues to micro, small, and medium enterprises as defined under the Micro and Small Enterprises are given on the basis of information available with the management :-

S. No.	Particulars	As at 31 st March 2020	As at 31 st March 2019	As at 01 st April 2018
1(a)	The Principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	1285.36	--	--
1(b)	The interest due thereon remaining unpaid to any supplier as at the end of each accounting year on the above amount	--	--	--
2.	The amount of interest paid by the buyer in terms of Section 16 of the Micro and Small Enterprise Development Act 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	--	--	--
3.	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 Micro and Small Enterprises Development Act, 2006	--	--	--

S. No.	Particulars	As at 31 st March 2020	As at 31 st March 2019	As at 01 st April 2018
4.	The amount of interest due and remaining unpaid at the end of each accounting year.	--	--	--
5.	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 Micro and Small Enterprise Development Act, 2006	--	--	--

* The company has initiated the process of identification of suppliers registered under Micro and Small Enterprise Development Act, 2006, by obtaining confirmation from all supplies Information has been collated only to the extent of information received

Note - 32: Balances shown under Claims recoverable, Trade Receivables, Advances to contractors, Trade Payables and Security deposits/Retention money from contractors are subject to confirmation and respective consequential adjustments. The status of balance confirmations received is as follows:

(Rs. in Lakh)

	Central / State Government Departments		Foreign Governments		Others	
	Dues	Confirmation received	Dues	Confirmation received	Dues	Confirmation received
Trade Receivables	42806.83	433.74	741.76	--	--	--
Security Deposits	8137.83	569.45	196.96	--	23.12	--
Trade Payables	--	--	103.12	--	72880.59	10865.59
Advance to Contractors	--	--	51.57	--	9477.21	95.76

In the opinion of the management, the value of Trade Receivables, Loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet. The total Trade Receivables are Rs. 42806.83 lakh out of which Rs. 1768.29 lakh (Rs. 125.57 Lakh as at 31.03.2019 and Rs.184.53 lakh as at 01.04.2018) are deferred debts presently not due for payment.

Note - 33: The Company is generally executing contracts by engaging sub-contractors. The Company, therefore, does not procure materials directly and therefore, primarily, information in respect of para 5(viii)(c) of general instructions for preparation of the Statement of Profit & Loss as per Schedule III to the Companies Act, 2013 is NIL. However, stores and spares consumed on departmental works is as under :

Indigenous Stores & Spares – Rs. 13.88 Lakhs (Previous Year Rs. 163.27 Lakhs)

Note - 34: Corporate Social Responsibility Expenses

The requisite disclosures relating to CSR expenditure in terms on Guidance Note on Corporate Social Responsibility (CSR) issued by The Institute of Chartered Accountants of India :-

- (a) Gross amount required to be spent by the Company during financial year ended 2019-20; Rs 108.55 Lakh (Previous Year; Rs 116.44 Lakh).
- (b) Amount spent during the financial year ended 31st March 2020 and 31st March 2019:-

(Rs. in Lakh)

Particulars		In cash	Yet to be paid in Cash	Total
(i) Construction / acquisition of any asset	31 st March 2020	16.92	-	16.92
	31 st March 2019	42.69	-	42.69
(ii) On purpose other than (i) above	31 st March 2020	5.82	-	5.82
	31 st March 2019	12.42	0.02	12.04

(c) No Transaction is entered into by the company with related party in relation to CSR expenses.

Note - 35: Related Parties Transactions

Related Party Disclosures (Indian Accounting Standard) Ind AS -24 are as follows:-

- (i) Parent Entity:-

The Company is controlled by following entity:

Name	Type	Place of Incorporation	Ownership Interest	
			2019-2020	2018-2019
Wapcos Limited	Ultimate Parent entity and controlling	India	98.89%	--
President of India			--	98.89%

(ii) Company does not have subsidiary either in India or abroad.

(iii) Key Managerial Personnel:

Whole time Directors/ Chief Financial Officer/ Company Secretary	Designation	Period	
		From	To
Sh. R.K Gupta	Additional Charge of CMD	11 th June, 2019	30 th Sept., 2020
Sh. Manohar Kumar	Additional Charge of CMD	13 th March, 2018	11 th June, 2019
Sh. Manohar Kumar	Director Engineering	21 st April, 2016	Till date
Sh. Sahab Narain	Director Finance	29 th July, 2016	04 th Sept., 2020
Smt. Rajni Agarwal	Company Secretary	09 th November, 2006	Till date

Particulars	Designation	Period	
		From	To
	Government Nominee Director		
Sh. Jagmohan Gupta	Government Nominee Director	21 st July, 2015	Till date
Sh. Nitishwar Kumar	Government Nominee Director	25 th May, 2018	13 th August, 2019
Sh. Anupam Mishra	Government Nominee Director (Part Time Director)	13 th August, 2019	Till date
Dr. Jayashree Gupta	Non-Official Part Time Director	07 th February, 2017	06 th February, 2020
Dr. Ravindra Pande	Non-Official Part Time Director	07 th February, 2017	06 th February, 2020

(iii) Statement of Transactions with Holding Company:

(Rs. In Lakh)

Particulars	31 st March 2020	31 st March 2019
Nature of Transactions		
Security Deposits	-	-
Advances Paid	-	-
Prepaid Expenses	-	-
Dividend Paid	-	-
Secondment Charges	-	-
Repair and Maintenance	-	-
Total	-	-
Outstanding Balances		
Security deposits	-	-
Amount Receivables	-	-
Amount Payables	-	-
Total	-	-

(iv) Statement of Transactions with Key Managerial Personnel

(Rs. In Lakh)

Particulars	31 st March 2020			31 st March 2019		
	Short Term Employee benefits	Post-Employment benefits	Other Long Term benefits	Short Term Employee benefits	Post-Employment benefits	Other Long Term benefits
A. Whole time Director / Chief Financial Officer/ Company Secretary						
Sh R.K Gupta	-	-	-	-	-	-
Sh Manohar Kumar	38.05	18.43	-	41.13	16.86	-
Sh Sahab Narain	37.77	3.97	-	41.28	2.33	-
Smt. Rajni Agarwal	24.22	-	-	25.63	-	-
B. Government Nominee Director						
Total	100.04	22.40	-	108.04	19.19	-
Outstanding Balances						
Sh Manohar Kumar	-	-	-	-	-	-
Sh Manohar Kumar	-	-	-	-	-	-
Sh Sahab Narain	-	-	-	-	-	-
Smt. Rajni Agarwal	-	-	-	-	-	-
Total	-	-	-	-	-	-

* Disclosures in respect of transactions with identified related parties are given only for such period during which relationship existed

Details of Remuneration paid to Independent Director during the F.Y 2019-20 are as follows:-

Name & Designation	Sitting Fees (Rs. In Lakh)
Dr. (Shri) Ravindra K. Pande Independent Director	1.53
Dr. (Smt) Jayashree Gupta Independent Director	1.20

(v) Government Related Entities:

Government of India (GOI) is holding 100% equity shares of M/s. WAPCOS Ltd.(the parent company), which are held by President of India acting through Ministry of Jal Shakti and its nominees. GOI shall be deemed to control the company through M/s. WAPCOS Ltd.

The Company has made various transactions with the Ministry of Jal Shakti and entities being controlled or jointly controlled or having significant influence of the Ministry of Jal Shakti. The Transactions with them are as under:-

Significant Transactions with Government related entities:-

(Rs. In Lakh)

Description of Transaction	Year ended 31-03-2020	Year ended 31-03-2019
Revenue	3107.11	4180.27

Significant Balances with Government related entities:-

(Rs. In Lakh)

Description of Transaction	Year ended 31-03-2020	Year ended 31-03-2019
Other Advances	--	--
Payables	--	--
Advance Received	1374.67	1585.24
Receivables	297.04	15.35

Note - 36: Leases

Leases:

The Company has leases various offices under operating leases expiring within six months to five years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

From 01, April 2019, the company has recognised right of use of assets for these leases, except for short term and low value leases.

(Rs. In Lakh)

Commitments for Minimum Lease Payments in relation to non -cancellable operating leases are payable as follows :	2019-2020	2018-2019
Within one year	92.96	111.39
Later than 1 year but not later than 5 years	52.26	100.47
Later than 5 years	-	-
Total	145.22	211.86

Lease Payments not included in the measurements of Lease Liability:-

The Expense relating to payments not included in the measurement of lease liability is as follows:-

(Rs. In Lakh)

Particulars	2019-2020	2018-2019
Short Term Leases	3.72	7.74
Variable Lease Payments	-	-
Total rental expenses relating to operating leases	3.72	7.74

This note provides information for leases where the Company is a lessee.

(i) Amounts recognised in the balance sheet :

The balance sheet shows the following amounts relating to leases :

(Rs. In Lakh)

Right of use assets :	Note	2019-2020	2018-2019
Buildings	2A	119.13	178.66

Lease Liabilities

Current INR 80.91 Lacs

Non-Current. INR 48.85 Lacs

Additions to the Right of use during FY 2019-20 were INR 50.31 Lacs

(ii) Amounts recognised in Statement of Profit or Loss :

The Statement of Profit or Loss shows the following amounts relating to Leases

(Rs. in Lakh)

Depreciation Charge of Right of use assets	Note	2019-2020	2018-2019
Buildings 2A	2A	106.99	97.47
Interest Expenses (Included in Finance Cost)	22	15.33	17.37

The total cash outflow for leases in 2019-2020

(iii) The Company's leasing activities and how these are accounted for;

The Company leases various offices. Rental contracts are typically made for fixed periods of 6 months to 5 years, but may have extension options as described in point (v) below:-

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the company is a lessee, it has elected to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

In accordance with Para D9 of IND AS 101 read with MCA notification dated 30th March, 2019 on IND AS 116 "Leases" the Company as a first time adopter has assessed whether a contract existing at the date of transition to Ind AS (i.e. w.e.f 1st April 2018) contains a lease by applying Para 09-11 of Ind AS 116 to those contracts on the basis of facts and circumstances existing at that day.

The Company as a first time adopter has recognised the lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate, i.e., @ 9% on the date of transition to Ind AS (w.e.f 01.04.2018)

(iv) Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

Right-of-use assets are measured at cost comprising the following:

- ◆ the amount of the initial measurement of lease liability

- ◆ any lease payments made at or before the commencement date less any lease incentives received

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of Office Buildings and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(v) Extension and Termination option:

Extension and termination options are included in a number of property leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations.

- (vi) The lease term is reassessed if an option is actually exercised (or not exercised) or the company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Pursuant to Para 50 of Ind AS 116 ; In the statement of Cash Flows, a lessee shall classify:-

- (i) Cash payments for the principal portion of the lease liability with in financing activities
- (ii) cash payments for the interest portion of the lease liability with in financing activities applying the requirements in Ind AS 7, Statement of Cash Flows, for interest paid; and
- (iii) Short term lease payments, payments for leases with low value assets and variable lease payments not included in the measurement of the lease liability with in operating activities.

Pursuant to Para 58 of Ind AS 116; a maturity analysis of lease liabilities applying Para 39 and B11 of Ind AS 107, Financial Instruments; Disclosures separately from maturity analyses of other financial liabilities.

Maturities of Lease liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flows.

(Rs. In Lakh)

Contractual maturities of financial liabilities at 31 st March 2020	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total Contractual cash flows
Lease Liabilities	53.65	35.07	52.01	--	--	140.72
Total	53.65	35.07	52.01	--	--	140.72

(Rs. In Lakh)

Contractual maturities of financial liabilities at 31 st March 2019	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total Contractual cash flows
Lease Liabilities	57.24	51.98	93.09	6.29	--	208.61
Total	57.24	51.98	93.09	6.29	--	208.61

Set out below are the carrying amount of Lease liabilities and the movement during the period

(Rs. in Lakh)

Particulars	31 st March, 2020
As at 01st April 2019	188.12
Addition/Modification during the year	46.97
Finance Cost of Lease Liabilities	15.34
Payments	120.28
As at 31st March 2020	129.76
Current	80.91
Non Current	48.85

(Rs. in Lakh)

Particulars	31 st March, 2019
As at 01st April 2018	226.64
Addition/Modification during the year	49.50
Finance Cost of Lease Liabilities	17.37
Payments	105.39
As at 31st March 2019	188.12
Current	95.45
Non Current	92.68

Note - 37: Operations in Iraq have ceased since many years and due to repatriation restrictions, full provision has been made against the bank balances. Revaluation of balance in the bank account in foreign currency was last made on 31.3.1995. The Exim Bank which is intermediary for settlement of the outstanding in Iraq, has vide letter dated 30/7/2013, advised that the notional credit entries for interest earned on the outstanding credit balance of NPCC in the bank account has been made for US \$ 716732.69 by Central Bank of Iraq in its books, not amounting to actual credit to the account of the Exim Bank.

Note - 38: Capital management

The Company's objectives when managing capital are:

- ◆ To ensure Company's ability to continue as a going concern, and
- ◆ To provide adequate returns to shareholders

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The total equity of the Company is as follows:

(Rs. In Lakh)

Particulars	31 st March 2020	31 st March 2019
Equity Share Capital	9453.16	9453.16
Other Equity	9513.09	7531.83
Total Equity	18966.25	16984.99

Net Debt to Equity Ratio: NIL

The Company has no outstanding debt as at the end of the respective year.

Note - 39: Disclosures on Accounting Policies, Changes in Accounting Estimates and Errors (Ind AS-8) are as follows :

(i) Prior Period Transactions are as follows:-

(Rs. In Lakh)

Nature of Expenditure/(Income)	Related to FY 2018-2019	Prior to FY 2018-2019
Expenditure:		
Construction Expenses	1.91	18.41
Employees Benefit Expenses	(30.11)	--
Litigation Expenses	13.33	267.69
Interest Expense	138.44	--
Others	(1.10)	1.01
Total Expenditure	122.47	287.11
Income:		
Revenue from Operations	90.05	34.27
Reversal of Other Income (Interest income)	(48.05)	(5.66)
Total income	42.00	28.61

(ii) Correction of Prior Period Items is as follows:-

(a) Impact on Balance Sheet items is as follows:

(Rs. In Lakh)

Prior Period for the Year	2019-2020		
Particulars	Prior to 01-04-2018	Impact on 2018-2019	Total
Property Plant and Equipment	--	--	--
Capital Work in Progress	--	--	--
Trade Receivables	--	(2.26)	(2.26)
Other Current Assets	--	(43.59)	(43.59)
Other Non-Current Assets	(1.47)	--	(1.47)
Other Financial Assets	--	1.86	1.86
Total Assets	(1.47)	(43.99)	(45.46)
Trade Payables	18.11	1.80	19.91
Other Financial Liabilities	273.18	(12.76)	260.77
Other Non Current Liabilities	--	--	--
Other Current Liabilities	(34.27)	47.44	13.17
Total Liabilities	257.02	36.48	293.85
Net Assets (Equity)	(258.49)	(80.47)	(339.31)

(b) Impact on Statement of Profit & Loss Items is as follows:

(Rs. In Lakh)

Nature of Expenditure / (Income)	Related to FY 2018-2019
Expenditure:	
Construction Expenses	1.91
Employees Benefit Expenses	(30.11)
Litigation Expenses	13.33
Interest Expense	138.44
Others	(1.10)
Total Expenditure	122.47
Income:	
Revenue from Operations	90.05
Reversal of Other Income(Interest income)	(48.05)
Total income	42.00
Net Impact	(80.47)

Aforesaid prior period figures are crystallized during the year 2019-2020 through these are prior period transactions and tax benefit on such transactions is available in the year 2019-2020. However, these figures are restated as per Ind AS 8 to the respective years.

Note - 40: Computer Software in form of Intangible Assets disclosed as per Note 2B are amortized over the period of three years on straight line basis. The amount amortized is as under:-

(Rs. in Lakh)

Particulars	31 st March, 2020	31 st March, 2019
Amortization recognized in the Statement of Profit & Loss	3.17	0.53

The Management is of opinion that there is no impairment of Intangible Assets (i.e Software) in terms of INDAS – 36 “Impairment of Assets” as notified by Ministry of Corporate Affairs (‘ the MCA’).

Note - 41: Operational Segments

(Rs. in Lakh)

Particulars	31 st March 2020	31 st March 2019
Revenue		
(a) PMC	112205.84	91417.81
(b) EPC	18715.05	9934.36
Total	130920.90	101352.17
Identifiable Operating Expenses	123195.10	93582.71
Segment Profit/ (Loss) from operations	7725.80	7769.46
Add: Interest Income	3665.33	3352.53
Add: Other Income including exceptional items	1059.81	553.91
Less: Un-allocable Expenses	7902.44	9421.78
Net Profit before Tax	4548.51	2254.12
Less: Income Tax including deferred tax	2567.27	1081.18
Net Profit after Tax	1981.23	1172.94
Additional Information		
Depreciation and amortization	273.01	258.83
Non-Cash Expenses/ (Income) other than depreciation and amortization	15.34	17.37
Reversal of Provisions	2553.35	690.31
Profit on sale of PPE	4.15	54.35
Loss on sale of PPE	--	--

- (i) Revenue of Rs 27,953 Lakh (Previous Year 31st March 2019; Rs 34,091 Lakh) from major customers is given below:-

(Rs. in Lakh)

Description	Year ended 31 st March, 2020			Year ended 31 st March, 2019		
	PMC	EPC	Total	PMC	EPC	Total
Customer-1	9516	5117	14633	17749	7797	25546
Customer-2	8689	4631	13320	8245	301	8546
Total	18205	9748	27953	25994	8097	34091

Note - 42: Financial Assets and Financial Liabilities

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

Financial Instruments by Category

(Rs. In Lakh)

Particulars	Note Reference	31 st March 2020				31 st March 2019				01 st April 2018			
		FVTPL	FVT OCI	Amortised Cost	Fair Value	FVTPL	FVT OCI	Amortised Cost	Fair Value	FVTPL	FVT OCI	Amortised Cost	Fair Value
Other Financial Assets including Retention money and security deposits (Non Current)	3			9858.03	9858.03			8184.45	8184.45			10267.34	10267.34
Trade Receivables	6			39396.21	39396.21			38364.44	38364.44			39886.56	39886.56
Cash & Cash Equivalent	8			33337.38	33337.38			51528.12	51528.12			39985.68	39985.68
Other Bank Balance	9			63030.51	63030.51			31827.03	31827.03			19404.20	19404.20
Other Financial Assets including Retention money and security deposits (Current)	3			34254.31	34254.31			19055.64	19055.64			14710.32	14710.32
Total				179876.43	179876.43			148959.68	148959.68			124254.10	124254.10

Particulars	Note Reference	31 st March 2020				31 st March 2019				01 st April 2018			
		FVTPL	FVT OCI	Amortised Cost	Fair Value	FVTPL	FVT OCI	Amortised Cost	Fair Value	FVTPL	FVT OCI	Amortised Cost	Fair Value
Financial Liabilities													
Trade Payables	13			72983.70	72983.70			52499.64	52499.64			52840.06	52840.06
Lease Liabilities	15			129.76	129.76			188.12	188.12			226.64	226.64
Other financial Liabilities (Current and Non Current)	15			39706.89	39706.89			37737.21	37737.21			39387.30	39387.30
Total Financial Liabilities				112820.36	112820.36			90424.97	90424.97			92454.00	92454.00

The carrying amount of the 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 at amortised cost is considered as reasonable approximation of fair value.

(i) Fair Value Hierarchy

Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:-

Level - 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level - 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data rely as little as possible on entity specific estimates.

Level - 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3

Note - 43: In accordance with Ind AS 109, the company is required to apply Expected Credit Loss Model for measurement and recognition of impairment loss for Financial Assets which comprise of Cash & Cash Equivalent. Bank balances, Investments Trade Receivables, SD/Retention Money etc Under Indian GAAP regime, the company was making provision for Bad and Doubtful Trade Receivables on adhoc basis. However, the Ind AS provisions requires review of trade receivables of the company and work out a policy for providing ECL right from the beginning. As a practical expedient, the company has adopted "Simplified Approach using the provision matrix method for recognition of expected credit loss on trade receivables and SD/retention money as there is no risk of default in respect of Cash & Cash Equivalent. Bank balances, Investments etc. This adopted provision matrix is based on historical default rates observed over the expected life of the trade receivables and is adjusted for forward – looking estimates. At every reporting date, the historical default rates are updated and changes in the forward – looking estimates are analysed. Further receivables are segmented for this analysis where the credit risk characteristics of the receivables are similar.

While working out the ECL provision, the quantum of advance available against a particular project shall be set off against the current year outstanding debtors of respective project. Further, the quantum of trade payables in respect of back to back contracts shall be set off against the respective project trade receivables of respective years. No provision shall be made in respect of deferred debts (debtors which have not become due for payment as at 31 March of respective financial

year). It is therefore proposed to adopt following ECL model to be applied in respect of trade receivables / retention money :

	Current year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6-7 years	7-8 years	8-9 years	9-10 years
ECL Provision rates	3%	5%	8%	40%	70%	82%	83%	84%	85%	100%

Note - 44: Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of 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 related impacts 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 assumption, inputs and factors specific to the class of Financial Assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Assets Group	Basis of categorisation	Provision for expected 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 the payment within 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.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or 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 recognized in Statement of Profit & Loss.

(Rs. In Lakh)

Credit Rating		Particulars	31 st March 2020	31 st March 2019	01-04-2018
A.	Low credit risk	cash and cash equivalents, other bank balances and other financial assets	133039.83	102145.81	118509.58
B.	Moderate credit risk	Trade receivables	32385.87	29285.55	31,297.08
C.	High credit risk	Trade receivables and other financial assets	6904.78	9081.46	8520.31

Concentration of Trade Receivables:

The Company's major exposure to credit risk for trade receivables are from various Central and State Government departments/ Ministries.

Credit risk exposures

Provision for expected credit losses

The Company provides for expected credit loss on 12 months and lifetime expected credit loss basis for following financial assets:

Low Credit Risk

As at 31st March 2020

(Rs. in Lakh)

Particulars	Note Reference	Carrying Amount	Impairment	Carrying amount net of impairment provisions
Cash and cash equivalents	8	33,721.07	383.69	33,337.38
Other bank balances	9	63,030.51	--	63,030.51
Other financial assets	3	36932.94	260.99	36671.94

As at 31st March 2019

(Rs. in Lakh)

Particulars	Note Reference	Carrying Amount	Impairment	Carrying amount net of impairment provisions
Cash and cash equivalents	8	51911.81	383.69	52840.06
Other bank balances	9	31827.03	--	31827.03
Other financial assets	3	17761.31	282.59	17478.72

As at 01-04-2018

(Rs. in Lakh)

Particulars	Note Reference	Carrying Amount	Impairment	Carrying amount net of impairment provisions
Cash and cash equivalents	8	40369.37	383.69	39985.68
Other bank balances	9	63030.51	--	63030.51
Other financial assets	3	15521.25	27.86	15493.39

Moderate credit risk (consisting of Trade receivables, Security Deposit and retention ageing from 0-3 years)

Expected credit loss for trade receivables under simplified approach

As at 31st March 2020

(Rs. in Lakh)

Ageing	Note Reference	Up to 1 Year	Between 1 Year and 2 Years	Between 2 year and 3 years	Total
Gross carrying amount	6	22311.78	3686.72	6841.47	32839.96
Expected credit losses (Loss allowance provision)		179.32	67.60	207.18	454.10
Carrying amount of trade receivables (net impairment)		22132.46	3619.12	6634.29	32385.87

As at 31st March 2019

(Rs. In Lakh)

Ageing	Note Reference	Up to 1 Year	Between 1 Year and 2 Years	Between 2 year and 3 years	Total
Gross carrying amount	6	16,249.61	10,097.70	3,520.46	29867.77
Expected credit losses (Loss allowance provision)		196.88	209.31	176.33	582.22
Carrying amount of trade receivables (net impairment)		16052.73	9888.39	3344.13	29285.55

As at 01-04-2018

(Rs. In Lakh)

Ageing	Note Reference	Up to 1 Year	Between 1 Year and 2 Years	Between 2 year and 3 years	Total
Gross carrying amount	6	15,973.13	11,920.13	4,085.83	31979.09
Expected credit losses (Loss allowance provision)		86.74	392.01	203.26	682.01
Carrying amount of trade receivables (net impairment)		15,886.39	11,528.11	3,882.58	31,297.08

Reconciliation of loss provision – trade receivables and other financial assets:

(Rs. In Lakh)

Reconciliation of Loss allowance	Trade Receivables
Loss allowance on 01-04-2018	6,152.16
Impairment loss recognised	71.10
Reversal	(146.59)
Loss allowance on 31 st March 2019	6076.67
Impairment loss recognised	188.10
Reversal	(2112.39)
Loss allowance on 31 st March 2020	4152.37

High credit risk (consisting of Trade receivables, Security Deposit and retention ageing from 3 and above years)

As at 31st March, 2020

(Rs. In Lakh)

Particulars	Note Reference	Period	Carrying Amount	Impairment	Carrying amount net of Impairment provisions
Trade Receivables	6	Above 3 Years	10603.06	3698.28	6904.78

As at 31st March, 2019

(Rs. In Lakh)

Particulars	Note Reference	Period	Carrying Amount	Impairment	Carrying amount net of Impairment provisions
Trade Receivables	6	Above 3 Years	14575.61	9454.15	9081.46

01st April, 2018

(Rs. In Lakh)

Particulars	Note Reference	Period	Carrying Amount	Impairment	Carrying amount net of Impairment provisions
Trade Receivables	6	Above 3 Years	13990.46	5470.15	8520.31

(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 considers that the Cash Flow from Operations is sufficient to meet its current liquidity requirements.

Maturities of Financial liabilities

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

(Rs. in Lakh)

Contractual maturities of financial liabilities at 31 st March 2020	Note Reference	Upto one year	More than one year	Total
Non derivatives				
Trade Payables	13 & 17	49136.24	23847.47	72983.71
Earnest money and security deposits	15	12054.38	18587.24	30641.62
Total		61190.62	42434.71	103625.33

(Rs. in Lakh)

Contractual maturities of financial liabilities at 31 st March 2019	Note Reference	Upto one year	More than one year	Total
Non derivatives				
Trade Payables	13 & 17	24895.07	27604.57	52499.64
Earnest money and security deposits	15	11241.04	18189.82	29430.86
Total		36154.22	45776.28	81930.50

(Rs. in Lakh)

Contractual maturities of financial liabilities at 01 st April 2018	Note Reference	Upto one year	More than one year	Total
Non derivatives				
Trade Payables	13 & 17	22,222.85	30,617.21	52,840.06
Earnest money and security deposits	15	8,071.76	21,650.55	29,722.31
Total		30,294.61	52,267.77	82,562.37

(C) Market Risk

There is no exposure to market risk as no investment is held by the company.

Note - 45: Movement in Deferred tax Assets

(Rs. In Lakh)

Particulars	01 st April 2018	Recognized in other Comprehensive Income	Recognized in Statement of Profit & Loss	31 st March 2019	Recognized in other Comprehensive Income	Recognized in Statement of Profit & Loss	Charged / Credited pursuant to section 115BAA		31 st March 2020
							Profit & Loss	OCI	
Deferred tax Assets arising on:									
Employees Benefits	2,008.39	119.56	(112.79)	2,015.16	(17.66)	(358.11)	(458.65)	-	1,180.74
Provision for estimated Credit losses	3,420.11	-	(44.93)	3,375.18	-	(731.68)	(739.55)	-	1,903.95
Lease Liabilities	-	-	65.74	65.74	-	(20.39)	(12.69)	-	32.66
Others	-	-	-	-	-	204.51	-	-	204.51
Deferred tax Liabilities arising on:									
Depreciation	294.63	-	85.47	380.10	-	54.66	(121.63)	-	313.13
ROU Assets	-	-	62.43	62.43	-	(20.80)	(11.65)	-	29.98
Total - Rs.	5,133.87	119.56	(239.88)	5,013.55	(17.66)	(939.53)	(1,077.61)	-	2,978.75

* In pursuance to Sec 115 BAA of IT Act, 1961 issued by Govt. of India through Taxation Laws (amendment), ordinance, 2019, the Company has an irrevocable option of shifting to lower taxation along with subsequent reduction in certain tax incentives. The Company evaluated this option and as per the legal opinion given by independent tax consultants, the company decided to go with the new tax regime.

Note - 46:

(Rs. In Lakh)

Tax Expenses	For the year ended on March 31, 2020	For the year ended on March 31, 2019
Tax expense comprises of :		
Current Income Tax	585.74	629.56
Deferred Tax	2,017.14	239.89
Taxation in Respect of Earlier Year	16.91	(10.86)
Total	2,619.79	858.59

Note - 47: The major components of Income Tax Expense and the reconciliation of Expected Tax Expense based on the Domestic Effective Tax Rate of the Company and the reported Tax Expense in Statement of Profit or Loss are as follows:

(Rs. In Lakh)

Tax Expenses	For the year ended on March 31, 2020	For the year ended on March 31, 2019
Accounting Profit before Tax from Continuing Operations		
Accounting Profit before Income Tax	4,548.51	2,254.12
At India's Statutory Income Tax Rate	25.168%	34.944%
Income Tax	1,144.77	787.68
Tax effect due to Non Taxable Income	(265.36)	(807.45)
Effect of Non Deductible Expenses (Net)	664.57	788.65
Tax Effect of Gain / Loss of Property, Plant & Equipment	(1.05)	(18.99)
Tax in respect of Other Comprehensive Income	(17.66)	119.56
Effect due to Change in deferred tax rate	1,077.61	-
Tax in respect of Earlier Years	16.91	(10.86)
Tax Expense	2,619.79	858.59
Actual Tax Expense	2,619.79	858.59
Effective Tax Rate	57.60%	38.09%

Note - 48: Contingent Liabilities and Contingent Assets:

(i) Contingent Liabilities:

The Company had contingent liabilities at 31st March, 2020 in respect of:

(Rs. In Lakh)

Particulars of Items	2019-2020	2018-2019
Outstanding claims of contractor pending in arbitration and Courts	10485.15	10932.61
Service tax and Income tax demands disputed in appeals / rectification	22307.99	2028.90
Outstanding amount of bank guarantees against mobilization and other advances (margin money in shape of FDRs amounting to Rs. 46,11,13,509/- (Previous year Rs. 65,93,51,062/-)	7459.11	9441.66
Performance bank guarantees (Margin money in shape of FD Rs amounting to Rs. 30,97,23,439/- (Previous year Rs. 34,03,45,916/-)	8872.16	8352.14
Total	49124.41	30755.31

Cases relating to Service matters and Complaint matters, amount of liability being not ascertainable, not reported.

Commitments

(i) Capital Commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars of Items	2019-2020	2018-2019
Property Plant and Equipment	Nil	Nil
Investment Properties	Nil	Nil
Intangible Assets	Nil	Nil

Note - 49: Disclosures on Revenue from contracts with customers (Ind AS-115) are as follows:

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;

- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

1. Reconciliation of Total Equity as on 01-04-2018

(Rs. In Lakh)

Description	Note Reference	Balance as on 01-04-2018
Total Equity (Shareholder's Funds) as per Previous GAAP	--	7928.29
Adjustments for :-	--	
(i) Unbilled Revenue	--	Nil
(ii) Tax Impact	--	Nil
Total Adjustments	--	Nil
Total Equity as per Ind AS 115	--	7928.29

2. This change in accounting policy affected Statement of Profit and Loss as follows:-

(Rs. In Lakh)

Description	Note Reference	Year ended as at 31-03-2019 as per IGAAP	Adjustments as Per Ind AS 115	Year ended as at 31-03-2019 as per Ind AS
Revenue from operations	17	107374.13	6112.01	101352.17
Work & Consultancy Expenses	19	99692.81	6112.01	93582.71
Tax Expense		--	--	--
Profit After Tax		--	--	--

However, as a result of transition the company has nil effect on profit on account of tax collection on behalf of the tax authorities.

3. Significant Changes in contract assets and liabilities

(Rs. In Lakh)

Contract Liabilities _Advance from Clients	31-03-2020	31-03-2019	01-04-2018
Opening Balance of Contract Liabilities	61,469.37	33,837.57	31957.91
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	3,855.94	27,631.80	1879.66
Closing Balance of Contract Liabilities	65,325.31	61,469.37	33,837.57

Revenue received in Advance	31-03-2020	31-03-2019	01-04-2018
Opening Balance of Contract Liabilities	--	--	--
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	--	--	--
Closing Balance of Contract Liabilities	--	--	--

Contract Assets-Unbilled Revenue	31-03-2020	31-03-2019	01-04-2018
Opening balance of Contract assets	9290.24	6840.34	-
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	16687.49	2449.90	-
Closing balance of Contract Assets	25977.73	9290.24	6840.34

Assets and Liabilities related to contract with customers

(Rs. In Lakh)

Description	As at 31 st March 2020		As at 31 st March 2019		As on 1 st April 2018	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Contract assets related to value of work done						
Unbilled Revenue	103.07	25,640.44	279.65	8,755.85	545.34	6,295.00
Contract Liabilities related to value of work done						
Advance from clients	4832.21	60,493.10	6274.31	55,195.06	5946.69	27,890.88
Revenue received in advance	--	--	--	--	--	--

Note - 50: During the year ended March 31, 2020, Rs. 1689.08 Lakh of unbilled revenue as of April 1, 2019 has been reclassified to Trade receivables upon billing to customers on Completion of milestones.

Note - 51: The aggregate value of performance obligations which are yet to be completed as at March 31, 2020 is Rs. 5,74,122.23 Lakh which pertains to various segment of the company.

Balance Value of Projects

(Rs. In Lakh)

Less Than 1 Year	>1Year <2year	>2Year <3year	>3Year <4year	>4Year <5year	>5Year <6year	Total
158329.64	152610.17	152610.44	96791.80	15492.62	--	574122.23

Note - 52: Acquisition by WAPCOS Limited

The Company has earned a profit/ Loss of Rs. 84.54 Lakhs upto 25.04.2019 (i.e up to the date of acquisition of 98.89% age of Shares out of total share capital of company comprising of 9,34,821 Equity Shares by WAPCOS Limited vide agreement dated 25.03.2019 .

For calculation of the profit earned for that period (i.e From 01-04-2019 till 25-04-2019), apart from the actual income and expenses, the company has opted for pro-rata allocation of expenses for time based expenses and income such depreciation, salary, rentals, interest, misc. items etc."

In relation to that, Profit / loss of Rs 84.54 Lakhs from 01-04-2019 to 25-04-2019 of Company is derived as follows :-

Particulars of Transactions pursuant to Scheme of Arrangement	Amount (Rs. in Lakh)	Net Balance (Rs. in Lakh)
Income		
Revenue from Operations	4389.94	
Other Income	328.66	
TOTAL – A	4718.60	4718.60
Expenses		
Construction Expenses	4121.32	
Other Expenses	512.74	
TOTAL – B	4634.06	4634.06
Profit / (Loss) (A-B)		84.54

Note - 53: Impact of Covid -19 Outbreak

The Company has assessed the impact of COVID-19 on its financial Statements based on the internal & external information upto the date of approval of these financial statements and the company expects to recover the carrying amount of its assets, trade receivables and projects and work in progress. The Company will

continue to monitor the future economic conditions as they evolve and assess its impact on its financial statements.

Note - 54: First Time adoption of Ind AS

These financial statements of NPCC Limited for the financial year ended 31st March 2020 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the company has followed guidelines prescribed in Ind AS 101 First time adoption of Indian Accounting Standard issued by Ministry of Corporate affairs ('the MCA') with 01st April 2018 as transition date and IGAAP as previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statement, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note – 1 have been applied in preparing the financial statements for year ended 31st March 2020 and comparative information. An Explanation of how the transition from previous GAAP to Ind AS has affected the company's Balance Sheet, Statement of Profit & Loss and Statement of Cash flows is set out as follows.

Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out as follows:-

(1) Exemptions availed on first time adoption of Ind AS 101

Ind AS 101 allows first time adopters certain exemptions from retrospective application of certain requirement under Ind AS. The Company has accordingly applied the following exemptions:-

(1.1) Ind AS optional exemptions

(a) Deemed Cost of Property, Plant and Equipment (PPE), intangible Assets.

There is no change in functional currency of the Company on the date of transition to Ind AS, hence Company has elected to continue with the carrying value for all its property, plant and equipment (PPE), Intangible assets recognized under Indian GAAP as deemed cost at transition date (i.e. 01st April, 2018) in the financial statements.

(1.2) Ind AS mandatory exemptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustment to reflect any difference

in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 01st April, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- (i) Impairment of trade receivables, security deposits/ retention money based on expected credit loss model.
- (b) Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the considering conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics' only on the basis of facts and circumstances existing at the date of transition and it is impracticable to asses elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The Company has exemption for loan to Employees. All the other financial assets and financial liabilities have been restated retrospectively.

2. RECONCILIATIONS

(2.1) The following reconciliation provides the effect of transition to IND AS from IGAAP in accordance with ind as 101.

(2.2.1) Reconciliation of equity as at 31st march, 2019 and 01st April, 2018 as previously reporting under Indian GAAP to IND AS

RECONCILIATIONS
The following reconciliations provides the effect of transaction to IND AS from IGAAP in accordance with IND AS 101:
Reconciliation of Equity as at 31.03.2019 and 01.04.2018 as previously reported under Indian GAAP and IND AS

Particular	As at 31.03.2019						As at 01.04.2018				
	IGAAP	Prior Period Adjustments	Change in Accounting Policies	Other Reclassification/ Restatement	IND AS	IGAAP	Prior Period Adjustments	IndAS 101 adjustments	Change in Accounting Policies/ New Policy	Other Reclassification/ Restatement	IND AS
1. NON CURRENT ASSETS											
(a) Property, Plant And Equipment	3,993.02	-	-	-	3,993.02	4,000.89	-	-	-	-	4,000.89
(b) Capital Work-In-Progress	-	-	-	-	-	-	-	-	-	-	-
(c) Right-of-Use Asset	-	-	178.67	-	178.67	-	-	-	226.64	-	226.64
(d) Investment Property	-	-	-	-	-	-	-	-	-	-	-
(e) Goodwill	-	-	-	-	-	-	-	-	-	-	-
(f) Other Intangible Assets	9.47	-	-	-	9.47	-	-	-	-	-	-
(g) Financial Assets	-	-	-	-	-	-	-	-	-	-	-
(i) Investment	-	-	-	-	-	-	-	-	-	-	-
(ii) Trade Receivables	15,481.12	-	-	34.37	15,515.49	13,591.64	-	-	-	(477.06)	13,114.58
(iii) Loans	-	-	-	-	-	-	-	-	-	-	-
(iv) Other Financial Assets	3,139.68	-	(314.25)	5,359.01	8,184.45	3,160.87	-	-	(714.32)	7,820.79	10,267.34
(h) Deferred Tax Assets (Net)	5,221.25	-	(207.70)	-	5,013.55	4,486.11	-	-	647.77	-	5,133.87
(i) Other Non-current Assets	2,258.41	(1.48)	0.44	1.45	2,258.83	2,219.46	(1.48)	-	0.54	1.34	2,219.87
2. CURRENT ASSETS											
(a) Inventories	8.94	-	-	-	8.94	13.06	-	-	-	-	13.06
(b) Financial Assets	-	-	-	-	-	-	-	-	-	-	-
(i) Investments	-	-	-	-	-	-	-	-	-	-	-
(ii) Trade Receivables	24,097.93	(2.26)	(1,212.35)	(34.37)	22,848.95	33,972.25	69.17	-	(906.16)	(6,363.28)	26,771.98
(iii) Cash and Cash Equivalents	89,597.55	-	-	(38,069.43)	51,528.12	66,897.30	-	-	-	(26,911.61)	39,985.68
(iv) Other Bank Balances	-	-	-	31,827.03	31,827.03	-	-	-	-	19,404.20	19,404.20
(v) Loans	-	-	-	-	-	-	-	-	-	-	-
(vi) Other Financial Assets	9,535.42	1.29	-	9,518.93	19,055.64	8,312.21	-	-	-	6,398.11	14,710.32
(c) Current Tax Assets(Net)	-	-	-	-	-	-	-	-	-	-	-
(d) Other Current Assets	24,537.85	(42.54)	0.30	(8,638.32)	15,857.30	11,370.42	0.20	-	0.22	126.66	11,497.50
TOTAL	177,880.64	(44.98)	(1,554.89)	(1.33)	176,279.45	148,024.20	67.89	-	(745.32)	(0.84)	147,345.93

Particular		As at 31.03.2019						As at 01.04.2018					
		IGAAP	Prior Period Adjustments	Change in Accounting Policies	Other Reclassification/Restatement	IND AS	IGAAP	Prior Period Adjustments	IndAS 101 adjustments	Change in Accounting Policies/ New Policy	Other Reclassification/Restatement	IND AS	
3.	EQUITY AND LIABILITIES												
	EQUITY												
	(a) Equity Share Capital	9,453.16	-	-	-	9,453.16	9,453.16	-	-	-	-	9,453.16	
	(b) Other Equity	9,614.65	(338.97)	(1,743.84)	-	7,531.83	7,928.29	(345.89)		(972.79)	-	6,609.60	
4.		-											
	LIABILITIES												
	NON CURRENT LIABILITIES												
	(a) Financial Liabilities	-	-	-	-	-		-	-	-	-	-	
	(i) Borrowings	-	-	-	-	-	-	-	-	-	-	-	
	(ii) Trade Payable	16,261.75	-	-	-	16,261.75	16,840.44	-	-	-	-	16,840.44	
	(iii) Other Financial Liabilities	18,333.72	-	92.68	-	18,426.40	17,445.43	-	148.47	-	-	17,593.89	
	(b) Provisions	2,259.03	-	-	-	2,259.03	2,427.53	-	-	-	-	2,427.53	
	(c) Deferred Tax Liabilities(Net)	-	-	-	-	-	-	-	-	-	-	-	
	(d) Other Non-Current Liabilities	6,274.31	-	-	-	6,274.31	5,946.69	-	-	-	-	5,946.69	
	CURRENT LIABILITIES												
	(a) Financial Liabilities	-	-	-	-	-	-	-	-	-	-	-	
	(i) Borrowings	-	-	-	-	-	-	-	-	-	-	-	
	(ii) Trade Payable	36,217.98	19.91	-	-	36,237.89	35,922.59	77.03	-	-	-	35,999.62	
	(iii) Other Financial Liabilities	18,747.55	260.43	95.45	395.51	19,498.93	21,414.97	278.64	78.17	248.27	22,020.04		
	(b) Provisions	1,434.93	-	-	(395.51)	1,039.42	1,043.04	-	-	(248.27)	794.78		
	(c) Current Tax Liabilities(Net)	-	-	-	-	-	-	-	-	-	-	-	
	(d) Other Current Liabilities	59,283.57	13.16	-	-	59,296.74	29,602.05	58.12	-	-	-	29,660.16	
TOTAL		177,880.64	(45.47)	(1,555.72)	-	176,279.45	148,024.20	67.89	(746.16)	-	147,345.93		

Explanation For Reconciliation Of Balance Sheet As Previous Year Reported Under Indian GAAP to IND AS

(A) Other Financial Assets –Non Current

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value.

Under Ind AS, all financial assets are required to be initially recognized at fair value. Accordingly, the Company has fair valued there security deposits under Ind AS by applying effective interest rate method. Difference between the fair value and transaction value of the security deposit has been recognized expenses shown under current and non- current assets. Bank deposits held as margin money along with interest accrued thereon with maturity period of 12 months or more has been reclassified.

(B) Other Financial Assets –Current

Interest free staff advances recoverable within next 12 months are reclassified at transaction cost. Security deposits/EMD, Retention money with clients has been restated at transaction cost and show under other current financial assets based on terms of contracts. Under previous GAAP, provision for retention money held by trade receivables is recognized on specific identification method based on management assessment of recoverability of trade receivable. As per Ind AS 109, the Company is required to apply expected credit loss model (provision matrix approach) for recognizing the allowance for doubtful receivables.

(C) Deferred Tax Assets (Net)

Deferred Tax Impact on adjustments of Gain / (Loss) on remeasurement of Actuarial Gains / (Losses) on employee benefits are made as per Ind AS.

(D) Other Assets Current And Non Current

Advances to suppliers and sun- contractors are restated at transaction cost and has been show under other current/non- current assets based on terms of contract.

(E) Provision for Trade Receivables, Security Deposit And Retention Money Using Provision Matrix Approach

Under previous GAAP, the Company has created provisions for Trade Receivables including Retention money amounts based on management estimates of recoverability over and above outstanding for more than five years. Under Ind AS, impairment allowance

has been determined based on life time Expected Credit Loss Model (ECL) for trade receivables. Security deposits and retention money. As a result of change, the profit for the year ended 31st March, 2019 increased by Rs. 93.88 Lakh. Consequently total equity increased by Rs. 93.88 Lakh as at 31st March, 2019. (Decrease as on 01st April, 2018 Rs 1620.48 Lakh).

(F) Other Equity

Adjustments on account of change in accounting policy, prior period errors / omission have been made as per Ind AS.

(G) Trade Payables

Non-Current trade payables are shown at transaction cost. Current Trade Payables are shown at transaction cost with adjustments on account of prior period errors /omissions.

(H) Provision – Current And Non Current

Under Ind AS, actuarial gain and losses on defined benefit plans liabilities and plan assets are recognized in other comprehensive income instead of Profit and Loss.

Under the Previous GAAP, such measurements were changed to profit and loss for the respective years. As a result of such change, the profit for the year ended 31st March, 19 increased by Rs 342.15 Lakh with deferred tax impact of Rs 119.56 Lakh.

(I) Other Comprehensive Income

Items of income and expense that are not recognized in profit and loss are shown in the statement of profit and loss as 'other comprehensive income' re-measurement of defined benefit plans through other Comprehensive Income (OCI). The concept of other comprehensive income did not exist under previous GAAP

(2.2.2) Reconciliation on Net Profit for the year ended 31st March, 2019 as previously reported under Indian GAAP to Ind AS

(Rs. In Lakh)

Particular	IGAAP	Prior Period Adjustments	Change in Accounting Policies	Other Reclassification/ Restatement	IND AS
REVENUE					
Revenue from operations	107,374.13	90.05	(6,112.01)	-	101,352.17
Other income	6,051.76	(186.49)	-	(1,958.82)	3,906.45
TOTAL REVENUE	113,425.89	(96.45)	(6,112.01)	(1,958.82)	105,258.61
EXPENDITURE					
Construction Expenses	99,692.81	1.91	(6,112.01)	-	93,582.71
Employee Benefit Expenses	7,949.01	(30.11)	(342.15)	(2.18)	7,574.57
Finance Cost	2,179.38	-	17.37	(2,179.38)	17.37
Depreciation, amortization, impairment & obsolescence	161.36	-	97.47	-	258.83
Corporate Social Responsibility	55.12	-	-	-	55.12
Other Expenses	1,794.82	(1.11)	(105.39)	664.75	2,353.07
Prior Period Expenses	87.39	(87.39)	-	-	-
Exceptional Items	(314.63)	13.33	(93.88)	(442.00)	(837.18)
TOTAL EXPENDITURE	111,605.26	(103.36)	(6,538.59)	(1,958.82)	103,004.49
PROFIT BEFORE TAX	1,820.63	6.91	426.58	(0.00)	2,254.12
TAX EXPENSES					-
CURRENT TAX	618.70	-	-	-	618.70
DEFERRED TAX	(735.14)	-	975.03	-	239.89
PROFIT AFTER TAX	1,937.07	6.91	(548.45)	(0.00)	1,395.53
OTHER COMPREHENSIVE INCOME					
Remeasurement of Defined Benefit Plans Gain/(Loss)	-	-	-	(342.15)	(342.15)
Income Tax Relating to Items that will not be reclassified to Statement of Profit & Loss	-	-	-	119.56	119.56
Total Other Comprehensive Income of the Year (Net of Tax)	-	-	-	(222.59)	(222.59)
Total Comprehensive Income of the Year	1,937.07	-	-	(222.59)	1,172.95

Explanation for Reconciliation of Statement of Profit & Loss as Previous Year Reported Under IGAAP to Ind AS

(J) Revenue From Operations

- (a) Adjustment on account of prior period errors / omissions.
- (b) Adjustment of GST component

(K) Other Income

- (a) Adjustment on account of prior period errors / omissions.
- (b) Adjustments on account of change due to discounting of refundable security deposits(Ind AS 109)

(L) Employee Benefit Expenses

- (a) As per IND AS, actuarial gain and loss are recognized in Other Comprehensive Income (OCI) ; not reclassified to Profit & Loss in subsequent period.
- (b) Reclassification / Restatement of employee benefit expenses.
- (c) Adjustment on account of Prior Period errors / omissions

(M) Construction Expenses

- (a) Adjustment on account of prior period errors / omissions.
- (b) Adjustment of GST component

(N) Amortisation of Rou Asset

- (a) Amortisation on ROU Asset as per IND AS 116 “ Leases”.

(O) Finance Cost

- (a) Interest expenses on lease liabilities as per IND AS 116 “ Leases”.

(P) Interest Expenses

- (a) Adjustment on account of prior period errors / omissions.
- (b) Adjustments on account of change due to discounting of refundable security deposits(Ind AS 109)

(Q) Other Expenses

- (a) Adjustment on account of prior period errors / omissions.
- (c) Reclassification/Restatement of other expenses.

(R) Prior Period Adjustments

- (a) Adjustments of period errors/omission have been made as per Ind AS.

(S) Deferred Taxes

- (a) Adjustment of tax on remeasurements of defined benefits has been made as per Ind AS.

(T) Remeasurement of Defined Benefits Plans

- (a) Re-measurement of defined benefit plan has been considered in Other Comprehensive Income (OCI) as per IND AS.

(2.2.3) Reconciliation of Total Equity for the year ended 31st March, 2019 And 01st April 2018

(Rs. In Lakh)

Particulars	31 st March, 2019	1 st April, 2018
Total equity (shareholder's funds) as per previous GAAP	9,614.65	7,928.29
Adjustments:-		
Prior Period Adjustments	(338.97)	(345.89)
Provision of trade receivable using provision matrix approach	(1,526.60)	(1,620.48)
Amortization of Right To Use of Assets	(97.47)	-
Finance Cost on Lease Liability	(17.37)	-
Discounting of Security Deposits of rental	(0.07)	(0.08)
Repayment of Lease liabilities	105.39	-
Dividend adjustment	-	-
Actuarial gain/(Loss) through OCI	-	-
Tax impact on actuarial gain/(Loss) through OCI	119.56	-
Deferred Tax adjustment	(327.26)	647.77
Total equity as per IND AS	7,531.83	6,609.60

Note - 55: Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss.

- Note - 56:** The Company is not paying GST on deposit received from Project authority in terms of proviso to section 2(31) of the CGST Act. However, Company is also in process to file a representation seeking relaxation for GST to be paid on advances for services rendered under works contract.
- Note - 57:** Cost incurred in fulfilling the contract is charged to Statement of Profit and Loss if it is not recoverable otherwise the same is part of unbilled revenue and unbilled Assets.
- Note - 58:** Previous year figures have been regrouped and/ or reclassified, whenever, necessary to confirm to those of the current year grouping and/ or classification. Negative figures have been shown in brackets.

For and on Behalf of the Board

Sd/-
(C.P. Gupta)
General Manager(F)

Sd/-
(Rajni Agarwal)
Company Secretary

Sd/-
(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

Sd/-
(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)

Sd/-
(Debashree Mukherjee, IAS)
Chairperson & Managing Director
(DIN No.06374549)

As per our report of even date attached
For K.B. CHANDNA & Co.
Chartered Accountants
FRN : 000862N

Sd/-
(Sanjeev Chandna)
Partner
M.No. 087354

Date : 14-12-2020
Place : Delhi

INDEPENDENT AUDITOR'S REPORT (REVISED)

To,
The Members of,
National Projects Construction Corporation Limited

Revised Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **National Projects Construction Corporation Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of profit and loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and Notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the Branch Auditors of the Company's Branches located at Bihar Zone, Eastern Zone, Jharkhand Zone, UP Zone, South Eastern Zone Bhubaneswar Zone, Southern Zone, North Eastern Zone, Guwahati, Uttarakhand Zone and NER(W) Zone. We have issued this report in suppression of our report dated 14th December 2020 consequent to the observations of Government Audit (C&AG of India).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles, generally accepted in India, of the state of affairs of the Company as at 31 March, 2020, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the

provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We invite attention to the following matters in the notes to the standalone financial statement:

1. Note No. 32 relating to balances of Claims recoverable, Trade Receivables, Advances to contractors, Trade Payables and Security deposits/ Retention money from contractors subject to confirmation and consequential adjustments thereof.
2. Note No. 6 and 13 relating to classification of Trade receivables and payables as non-current has been done on the basis of judgement of Management.
3. Note No. 53 regarding uncertainties arising out of the outbreak of COVID19 pandemic and consequential assessment made by the management on its business and its associated financial risks. This assessment made by the management is highly dependent on the circumstances as they evolve in the subsequent periods. The impact, therefore, in future periods may be different from the estimates made by the management as on the date of approval of these financial results.
4. Note No 56 relating to non-payment of GST on advance received from Project Authorities in terms of Section 13(2) of Goods and Service Tax Act, 2017 wherein GST is to be paid on date of issue of invoice or date of receipt of payment whichever is earlier. Consequent Interest liability and Penalty on the same is unascertainable.
5. We draw attention to Note No. 43 in respect of estimation of the expected credit losses (ECL) as per IND AS 109 in which it is mentioned that the company has used the ECL framework of the holding company for ascertaining the same and that the same is not developed/designed company specific.

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 of the Directors' Report including Annexures thereto / Chairman's Statement / Management Commentary / Corporate Governance Report, but does not include the financial statements and 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.

As described in the *Other Matters* section, we are unable to determine whether any adjustments are necessary to the break-up of profits into pre and post period of the Company becoming subsidiary. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibility of Management for the Standalone Financial Statements

The management of the company and the Company's Board of Directors are responsible for the matters stated in Section 134(5) of Act with respect to the preparation of these standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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, the management of Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone IND AS financial

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

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

- ◆ Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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.

Other Matters

We did not audit the financial statements of 23 Branches included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of 15, 19,37,12,508 as at 31st March 2020 and the total revenue of Rs. 9,76,33,86,733 for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such Branch Auditors. Our opinion is not modified in respect of these matters.

Further, we draw attention to Note 49 of the financial statements regarding disclosure of profits of the Company for the period 1.4.2019 to 25.4.2019 (Rs 84.54 Lakhs). We have audited the financial statements of the Company for the whole year ended 31.3.2020 and not for the broken period as aforesaid. Consequently, we are unable to determine whether any adjustments to these amounts are necessary.

Our opinion on the financial statements, and our report on *Other Legal and Regulatory Requirements* below, is not modified in respect of the above matter with respect to break-up of profits for the year.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; and proper returns adequate for the purposes of our audit have been received from the Zonal Offices/branch(es) not visited by us;
- c. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- d. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- e. in our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules 2015 as amended;
- f. In terms of Notification No. G.S.R 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Companies Act, 2013 regarding disqualification of Directors are not applicable to the Company being a Government Company.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company being a Government Company, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.
- i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position, in its standalone IND AS financial statements. Refer Note No. 45 to the financial statement.

- ii. The Company has made provision, as required under the applicable laws or Ind AS for material foreseeable losses, if any, on long-term contracts. Further, the company does not have any derivative contract as at March 31, 2020.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.B. CHANDNA & CO.
Chartered Accountants
FRN : 000862N

Sd/-
(Sanjeev Chandna)
Partner
M.No.087354
UDIN: 21087354AAAACV7247

Place : New Delhi
Date : 17th February 2021

In terms of Section 143(5) of the Act, we give below a reply to the Directions issued under the aforesaid section by the Comptroller & Auditor General of India:

S. No.	Directions	Reply
i.	Whether the Company has system in place to process all 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 system in place to process all the accounting transactions through IT system. The Company maintains all accounting transactions in IT system in Tally ERP Software and Excel Software. During the course of our audit we did not come across accounting transactions which were outside the IT system and have financial implications.
ii.	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.	According to the information and explanations given to us, the Company has not taken any loan. Hence, there are no cases of waiver/ write-off of debts/loans/interest etc.
iii.	Whether funds received/ receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	According to the information and explanations given to us, the Company has not received any funds from Central/State agencies for specific schemes during the year.

For K.B. Chandna & Co.
Chartered Accountants
Firm Registration No. 000862N

Sd/-
Sanjeev Chandna
(Partner)
Membership No. 087354
UDIN: 21087354AAAACV7247

Place : New Delhi
Date : 17th February 2021

Annexure-A to the Revised Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report of National Projects Construction Corporation Limited on the financial statements for the year ended 31st March 2020, we report that:

- (i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for WZO Mumbai, CZO Raipur, Bhopal Zone, Delhi Zone including Concor Unit and Northern Zone Jammu.
- (b) According to the information and explanations given to us, the Company undertakes physical verification of its property, plant & equipment at the year-end except in respect of certain closed units where the property, plant & equipment are in the custody of the Project Authorities. As explained, no material discrepancies were noticed on such verification during the year. In our opinion, periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) Inventories have been physically verified as per reports furnished to us, relating to certain inventories impounded by the Project Authorities;
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act');
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or given any guarantee to which provisions of sections 185 and 186 of the Act apply;
- (v) The Company has not accepted any deposits to which the directives issued by Reserve Bank of India or provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under apply;
- (vi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, duty of customs, value added tax, cess, GST and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

- (b) According to information and explanations given to us, the dues indicated in Appendix '2' on account of income tax, sales tax, service tax and value added tax and GST have not been deposited by the Company on account of disputes.
- (vii) The Company does not have any loans or borrowings from any financial institution, banks, or debenture holders during the year.
- (viii) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (x) The Company being a government company, the provisions of section 197 and the Schedule V to the Act are not applicable to the Company.
- (xi) The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone IND AS financial statements.
- (xiii) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K. B. Chandna & Co.
Chartered Accountants
Firm Registration No. 000862N

Sd/-
Sanjeev Chandna
(Partner)
Membership No. 087354
UDIN: 21087354AAAACV7247

Place : New Delhi
Date : 17th February 2021

ANNEXURE B" TO THE REVISED INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls with reference to financial statements of National Projects Construction Corporation Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing whether the risk of 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 qualified audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on "the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls with reference to financial statements issued by the Institute of Chartered.

Accountants of India". However, we noticed the under-mentioned weaknesses which require further strengthening and improvement:-

- i. The Company does not have an adequate internal control system with regard to, reconciliation of debit & credit balances lying in various accounting heads of closed Units.
- ii. The Company does not have a proper system of evaluating claims of contractors vis-à-vis contractual terms leading to huge number of litigations and settlements with mounting interest burden. The non-determination of the liability in a timely manner could significantly affect the financial reporting and could also affect the functioning of the Company.
- iii. The company has a system of requesting for balance confirmations in respect of Claims recoverable, Trade Receivables, Advances to contractors, Trade Payables and Security deposits/ Retention money from contractors. However, as per information and explanations provided to us , the company is not able to obtain confirmations in respect of trade receivables and other recoverables and payables . Most of the Trade receivables are either Central or State Government/Local authority/Municipal Authorities and other autonomous bodies under various governmental ministries. Therefore, we are of the opinion that the company needs to be involved in the process of obtaining the same more proactively to further strengthen the said internal control procedures.

We have considered the above weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of March 31, 2020 standalone IND AS financial statements of the Company and these weaknesses do not affect our opinion on the standalone IND AS financial statements of the Company.

For K.B.Chandna & Co.
Chartered Accountants
Firm Registration No. 000862N

Sd/-
Sanjeev Chandna
(Partner)
Membership No: 087354
UDIN: 21087354AAAACV7247

Place : New Delhi

Date : 17th February 2021

Appendix 2

Details of Disputed Statutory Dues :-

Sl. No.	Name of Statute	Nature of dues	Authority before whom case is pending	Amount (Rs.)	Unit
1	Central Excise/ Service Tax	Service Tax, Interest and Penalty	Central Excise Service Tax Appellate Tribunal, Kolkata	80,354,000	Khalgaon
2	Income Tax	TDS 2008-09	TDS Demand on Traces	270,670	NER (W) Guwahati
3	Income Tax	TDS 2009-10	TDS Demand on Traces	19,500	NER (W) Guwahati
4	Income Tax	TDS 2010-11	TDS Demand on Traces	4,690	NER (W) Guwahati
5	Income Tax	TDS 2011-12	TDS Demand on Traces	22,600	NER (W) Guwahati
6	Income Tax	TDS 2012-13	TDS Demand on Traces	3,680	NER (W) Guwahati
7	Income Tax	TDS 2013-14	TDS Demand on Traces	1,610	NER (W) Guwahati
8	Income Tax	TDS 2014-15	TDS Demand on Traces	154,150	NER (W) Guwahati
9	Income Tax	TDS 2015-16	TDS Demand on Traces	100	NER (W) Guwahati
10	Income Tax	TDS 2017-18	TDS Demand on Traces	670	NER (W) Guwahati
11	Income Tax	TDS 2018-19	Rectification before Income Tax Officer	3,430	NER (W) Guwahati
12	Income Tax	TDS	Rectification before Income Tax Officer	16,670	CRPF
13	Income Tax	TDS	Rectification before Income Tax Officer	136,980	DZO
14	Income Tax	TDS	Rectification before Income Tax Officer	32,630	CONCOR
15	Central Excise/ Service Tax	Service Tax, Interest and Penalty	Commissioner, Custom & Excise, Raipur	4,272,118	Sipat
16	Chattisgarh Sales Tax/ E T	Sales Tax Penalty, (1984-87)	Appeal before High Court, Bilaspur	1,583,000	GGDU, Koni
17	Sales tax	Sales tax (2008-09)	Comm. of Appeal of Sales Tax, Raipur	481,010	CZO, Raipur

Sl. No.	Name of Statute	Nature of dues	Authority before whom case is pending	Amount (Rs.)	Unit
18	Sales tax	Sales tax (2009-10)	Comm. of Appeal of Sales Tax, Raipur	785,649	CZO, Raipur
19	Income Tax	TDS	Rectification before Income Tax Officer	220,270	Raipur
20	Income Tax	TDS	Rectification before Income Tax Officer	2,987,360	Sipat
21	MVAT	MVAT Demand (2014-15)	Rectification filed before S.Tax Officer, NAG-VAT-037	4,300,412	WZO/Mumbai
22	Sales Tax	Demand Tax 1999-2000	Assistant Commissioner, Sales Tax Authority, Bhubaneswar	692,015	Orissa Zonal Office
23	Sales Tax	Demand Tax 1999-2000	Commissioner of Commercial Taxes, Cuttack	345,203	Rourkela
24	Sales Tax	Demand Tax 1997-98 1998-99 1999-2000	Sales Tax Tribunal, Cuttack Orissa	1,729,423	Nalco Damanjodi
25	Service Tax	Demand of service Tax	Appellate Tribunal Kolkata,	13,414,619	Nalco D Type Qtr's, Angul
26	Sales Tax	Sales Tax	Sales Tax Tribunal, Cuttack	130,183	OZO
27	Central Excise/ Service Tax	Joint Commissioner, Central Excise, Shillong	CESTAT, Kolkata	25,471,508	NER (IBBW) SILCHAR
28	Jharkhand VAT Act	Output Tax (FY 12-13)	Remanded Back to assessing Authority .	17,978,524	Ranchi Works
29	Jharkhand VAT Act	Output Tax (FY 13-14)	Remanded Back to assessing Authority	18,473,484	Ranchi Works
30	Service Tax	Finance Act 1994	CESTAT, Kolkata	39,19,499	NER(C) Shillong
31	Income Tax	Income Tax (AY 2016-17)	Appeal before Commissioner of Income Tax (Appeals)	1,95,68,14,156	Corporate Office
32	Income Tax	TDS	Rectification before Income Tax Officer	11,660	EZO
			TOTAL	2,13,46,31,473	

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of **National Projects Construction Corporation Limited** for the year ended 31 March 2020 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/ auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with Standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide his Revised Audit Report dated 17.02.2021 which supersedes his earlier Audit Report dated 14.12.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **National Projects Construction Corporation Limited** for the year ended 31 March 2020 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records.

In view of the revision 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 auditor's report under section 143(6)(b) of the Act

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

**Sd/-
(Amitabh Prasad)**
Principal Director of Audit
(Agriculture, Food & Water Resources)

Place : New Delhi
Dated : 23.02.2021

ZONAL OFFICES

NORTHERN ZONAL OFFICE	EASTERN ZONAL OFFICE
National Projects Construction Corporation Ltd. 822 A, Gandhi Nagar, Near Dogra Ground Jammu-180004 JAMMU & KASHMIR Telephone 0191-2459553	National Projects Construction Corporation Ltd. 3-A, Dr S.N. Roy Road Kolkata - 700 029 WEST BENGAL Telephone 033-24634965
UTTRAKHAND ZONAL OFFICE	M.P. ZONAL OFFICE
National Projects Construction Corporation Ltd. 98, Nehru Colony Dehradun-248 001 UTTRAKHAND Telephone 0135-2971725	National Projects Construction Corporation Ltd. B-29, Rajdeep Royal, Mahakali Society Trilonga, Bhopal -462039 MADHYA PRADESH Telephone 0755-4004409
NORTH EAST ZONAL OFFICE	TRIPURA ZONAL OFFICE
National Projects Construction Corporation Ltd. H. No. 10, Rangmanch Path, Rukmani Nagar Housing Colony, Guwahati - 781 006 ASSAM Telephone 0361-2231303	National Projects Construction Corporation Ltd. H. No. 31, Harish Thakur Road Nigmanand Bhawan, Krishna Nagar Agartala -799 001 TRIPURA Telephone 0381-2319397
WESTERN ZONAL OFFICE	SOUTHERN ZONAL OFFICE
National Projects Construction Corporation Ltd. Flat No-203, Building No. 31 B, Bimbisar Nagar, Mhada Colony, Goregaon (East), Mumbai-400 065 MAHARASHTRA Telephone 09953970188	National Projects Construction Corporation Ltd. House No. 1316, 2nd Cross K.H.B. Colony Magadi Main Road, Bengaluru – 560 079 KARNATAKA Telephone 080 – 23110309
BIHAR ZONAL OFFICE	JHARKHAND ZONAL OFFICE
National Projects Construction Corporation Ltd. 15, I.A.S. Colony, (1 st Floor), Kidwai Puri, Patna – 800 001 BIHAR Telephone 0612 – 2525989	National Projects Construction Corporation Ltd. Plot No. 101/C, Road No. 1, Mandir Marg, Ashok Nagar, Ranchi-834 002 JHARKHAND Telephone 0651-2242093
CHATTISGARH ZONAL OFFICE	SOUTH EASTERN ZONAL OFFICE
National Projects Construction Corporation Ltd. HIG/675, Sector-29, Nava Raipur-492015 CHATTISGARH Telephone 0771-2960526	National Projects Construction Corporation Ltd. Plot No. VII-H/59 Sailashree Vihar, Bhubaneswar-751021, ODISHA Telephone 0674-2741417
U.P. ZONAL OFFICE	NORTH WESTEN ZONAL OFFICE
National Projects Construction Corporation Ltd. H. No. I/123, 1 st Floor, Vineet Khand, Gomti Nagar, Lucknow-226010 UTTAR PRADESH Telephone 9355669690/91	National Projects Construction Corporation Ltd. 5 th Floor , Plot No. 148, Sector-44, Gurugram HARYANA Telephone 0124-2386620
H.P. ZONAL OFFICE	
National Projects Construction Corporation Ltd. 3 rd Floor Bhaskar Niwas, Below T & CP Office, Devnagar, Kasumpti, Shimla-171009 HIMACHAL PRADESH Telephone 0177-2623726	

Registered Office: NPCC Ltd, Raja House, 30-31, Nehru Place, Delhi-110 019, Ph:011-26484842, Fax: 011-26468699

Corporate Office: NPCC Ltd., Plot No.148, Sector-44, Gurugram -122 003, Haryana, Ph.: 0124-2385219, Fax 0124-2385219

Website: www.npcc.gov.in

CIN NO. U45202DL1957GOI002752



Bluestar

Management Systems Pvt. Ltd.

Providing Value Added Services

Certificate of Registration

*This is to certify that the
Quality Management System of*

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED

Regd. Office : Raja House, 30-31, Nehru Place, New Delhi-110 019, India.

Corporate. Office : Plot No. 148, Sector-44, Gurugram-122 003, Haryana, India.

has been assessed and conforms to the requirement of

ISO 9001:2015

for the following activities & scope

(CORPORATE, REGISTERED OFFICES, ZONAL OFFICES AND PROJECT SITES)

Execution of Civil Works for Thermal And Hydro Electric Projects,
River Valley Projects, Industrial Structures,
Project Management Consultancy Service For Buildings,
Housings, Roads, Bridges and Infrastructural Projects

Certificate Number : 10082-QMS-1082

Original Certification Date : 01/11/2018

1st Surveillance Due on : 31/10/2019 Done on: N.A.

Revised Certification Date : N.A.

2nd Surveillance Due on: 30/10/2020 Done on: N.A.

Certificate Expiration Date : 31/10/2021


Certification Manager



United Accreditation Foundation
United States of America

UAF is Full Member of International Accreditation Forum (IAF)



Bluestar Management Systems Pvt. Ltd. is Accredited By United Accreditation Foundation, United States of America
UAF is Full Member of International Accreditation Forum (IAF)

The validity of this certificate is contingent upon the condition that the client has understood & agreed and shall abide by contract agreement, certification agreement, Master agreement for certification services and logo rules as given on our website www.bluestarmpl.com.

Corp. Office : DBS Corporate Centre, #204, II Floor, Raheja Chambers, Free Press Journal Road, No.213, Nariman Point, Mumbai - 400 021, India.

Admn. Office: B-404, Sparta Building, Beeta Wing, Near Gravity Gym, Hiranandani Estate, Ghodbunder Road, Thane West 400 607, Maharashtra, India.

Website : www.bluestarmpl.com Email : info@bluestarmpl.com



REGISTERED OFFICE :

Raja House, 30-31, Nehru Place, New Delhi - 110019
Ph. : 011-26484842, 011-26468699, Tele Fax : 011-26468699
Website: www.npcc.gov.in

CORPORATE OFFICE :

Plot No. 148, Sector-44, Gurugram-121003 (Haryana)
Ph. : 0124-4888160-65 Tele Fax : 0124-2385219
CIN No. : U45202DL1957GOI002752