

**NPCC
ANNUAL
ACCOUNTS
F.Y 2019-20**






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

 (C.P. Gupta)
 General Manager(F)
  (Rajni Agarwal)
 Company Secretary
  (Anupam Mishra)
 Govt. Nominee Director
 (DIN No.08271048)
  (Pankaj Kapder)
 Director (Finance)
 (DIN No.07290569)
  (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



(Sanjeev Chandna)
 Partner
 M.No. 08/354



Dated : 14-12-2020
 Place : Delhi

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED

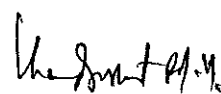
CIN NO. : U45202DL1957GOI002752

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


(C.P. Gupta)
General Manager(F)


(Rajni Agarwal)
Company Secretary


(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

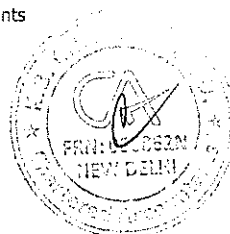

(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)


(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



(Sanjeev Chandna)
Partner
M.No. 087354








Dated : 14-12-2020
Place : Delhi

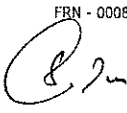
NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
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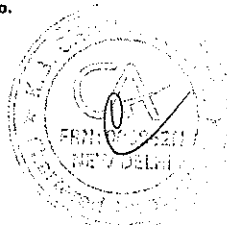
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

		(Rs. In Lakh)	
PARTICULARS		For the year ended 31st March, 2020	For the year ended 31st 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
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		308.16
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)
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)			
REPAYMENT OF LEASE LIABILITIES	(120.28)		(250.72)
NET CASH FLOW FROM FINANCING ACTIVITIES		(120.28)	(105.39)
EFFECT OF EXCHANGE DIFFERENCE ON TRANSLATION OF FOREIGN CURRENCY CASH & CASH EQUIVALENTS			(356.11)
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

 (C.P. Gupta)
General Manager(F)
  (Rajni Agarwal)
Company Secretary
  (Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)
  (Pankaj Kapoor)
Director (Finance)
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(Sanjeev Chandna)
Partner
M.No. 08/354



Dated : 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)

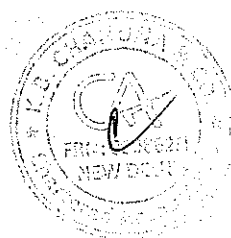
Particulars	Balance as at 1 April, 2019	Changes in equity share capital during the period	Balance as at 31st March, 2020
Equity Share Capital	9,453.16	-	9,453.16

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	-	9,683.13	(170.07)	-	9,513.09



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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.


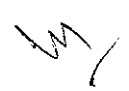

1.4 CAPITAL WORK IN PROGRESS

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 :

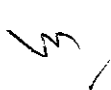
(a) The Company derives operating revenue primarily from sale of services from EPC (Engineering, Procurement and Construction) Projects and PMC (Project Management Consultancy) Projects.

(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.

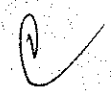
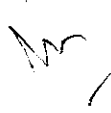

1.13 LEASES

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 :
- The Company has a present obligation (legal or constructive) arising as a result of a past event;
 - That will probably give rise to a future outflow of resources embodying economic benefits will be required to settle the obligation ; and
 - A reliable estimate can be made of the amount of the obligation.

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 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
 - A reliable estimate of the present obligation cannot be made; or
 - 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 fixed 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.

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(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 TRANSCATIONS

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.


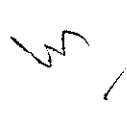

Management periodically evaluates positions taken in the tax assessments with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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.



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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 .l;

(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.

2

3



NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
PROPERTY PLANT & EQUIPMENT

(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 31st 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	25.11	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	112.37	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	256.99	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	-	-	-	-	-	32.33	-	1.65	-	4.28	-	-	-	38.26
Balance as at 31.03.2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Book Value as at 31.03.2019	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 31.03.2020	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 Transaction 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 GAP 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, Mahigara (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 its 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
Tools in hand	6.77	8.79	12.85
	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 31st 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

(Amount in Rupees)

PARTICULARS	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						
WAPCOS Limited	9,45,316	98.89	-	-	-	-
President of India	-	-	9,45,316	98.89	9,45,316	98.89

[Handwritten signature]

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

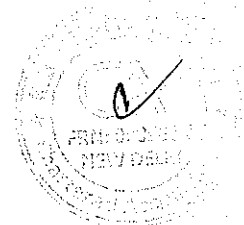
Profits made by the company during the year are transferred to surplus from Statement of Profit and Loss.

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	9,683.13	7,754.42	6,609.60
Other Comprehensive Income	(170.07)	(222.59)	-
Total	9,513.06	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

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Note - 18
Revenue from operations

(Rs. In Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Construction Contracts	1,30,920.90	1,01,352.17
Total	1,30,920.90	1,01,352.17

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	1,23,195.10	93,582.71
Total	1,23,195.10	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 Guarantee 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:-

Particulars	(Rs. In Lakh)	
	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

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

(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
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)	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019	31 st March 2020	31 st 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	--	--	--
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	.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%

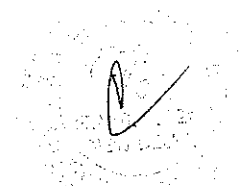
(ii) Company does not have subsidiary either in India or abroad.

(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

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(iii) Statement of Transactions with Holding Company:

(Rs. In Lakh)

Particulars	31st March 2020	31st 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	31st March 2020			31st March 2020		
	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		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	106.99	97.47
Interest Expenses (Included in Finance Cost)		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:

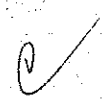
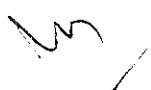
Extension and termination options are included in a number of property leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations.

- (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 31st 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 31st 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	31st 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	31st 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)

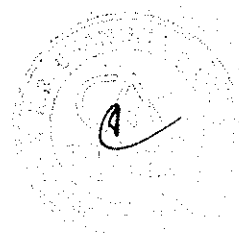
Prior Period for the Year Particulars	2019-2020		
	Prior to 01-04-2018	Impact on 2018-2019	Total
Property Plant and Equipment	--	--	--
Capital Work in Progress	--	--	--
Trade Receivables	--	(2.26)	(2.26)
Other Current Assets	--	(43.59)	(43.59)
Other Non-Current Assets	(1.47)	--	(1.47)
Other Financial 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	FVTOCI	Amortised Cost	Fair Value	FVTPL	FVTOCI	Amortised Cost	Fair Value	FVTPL	FVTOCI	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			
		FVT PL	FV T O CI	Amortised Cost	Fair Value	FVT PL	FV T O CI	Amortised Cost	Fair Value	FVT PL	FV T O CI	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	12 month expected credit loss

	financial assets	
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

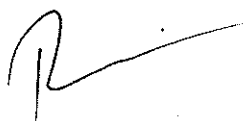
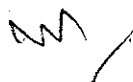
Concentration of Trade Receivables:

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

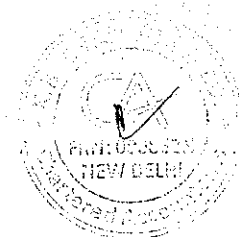
(B) Liquidity Risk

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, 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

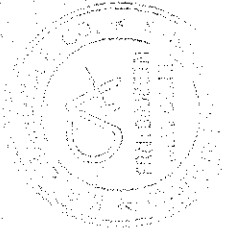
There is no exposure to market risk as no investment is held by the company.



Note 45: Movement in Deferred tax Assets

(Rs. In Lakh)

Particulars	01st April 2018	Recognized in other Comprehensive Income	Recognized in Statement of Profit & Loss	31st March 2019	Recognized in other Comprehensive Income	Recognized in Statement of Profit & Loss	Charged / Credited pursuant to section 115BAA		31st 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



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* 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%

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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 FDRs 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**

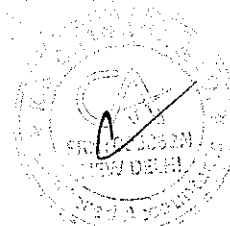
Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

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:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.



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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 31 st March 2020 have 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 pervious 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 Ass 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. RECONCILATIONS

(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
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	1,77,880.64	(44.98)	(1,554.89)	(1.33)	1,76,279.45	1,48,024.20	67.89	-	(745.32)	(0.84)	1,47,345.93
EQUITY AND LIABILITIES											
3. 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)	6,274.31	-	-	-	6,274.31	5,946.69	-	-	-	-	5,946.69
(d) Other Non-Current Liabilities	-	-	-	-	-	-	-	-	-	-	-
CURRENT LIABILITIES											
(a) Financial Liabilities	-	-	-	-	-	-	-	-	-	-	-
(i) Borrowings	-	-	-	-	-	-	-	-	-	-	-
(ii)Trade Payable	36,217.98	19.91	-	-	36,237.89	35,922.99	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	1,77,880.64	(45.47)	(1,555.21)	-	1,76,279.45	1,48,024.20	67.89	-	(746.16)	-	1,47,345.93

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


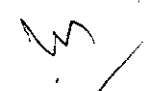

Under previous GAAP, the Company has created provisions for Trade Receivables including Retention money amounts based on management estimates of recoverability over and above outstanding for more than five years. Under Ind AS, impairment allowance has been determined based on life time Expected Credit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

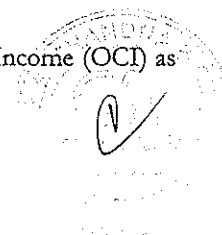

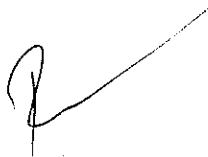
- (a) Adjustments of period errors/omission have been made as per Ind AS.

(S) Deferred Taxes

Adjustment of tax on remeasurements of defined benefits has been made as per Ind AS.

(T) Remeasurement Of Defined Benefits Plans

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

Particulars	(Rs. In Lakh)	
	31st March, 2019	1st 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

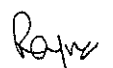
Note 55: Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to statement of Profit and Loss.


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.

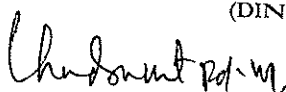
For and on Behalf of the Board


(Rajni Agarwal)
Company Secretary



(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

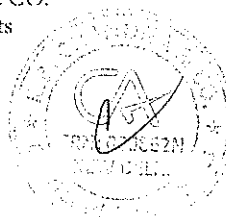

(Pankaj Kapoor)
Director (Finance)
(DIN No.07290569)


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


(C.P. Gupta)
General Manager(F)

As per our report of even date
For K. B. CHANDNA & CO.
Chartered Accountants
FIRN :000862N


(Sanjeev Chandna)
Partner
M.No.087354



Date: 14-12-2020
Place: New Delhi

**INDEPENDENT AUDITOR'S REPORT**

To,
The Members of,
National Projects Construction Corporation Limited

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.

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.
6. Due to COVID-19 induced restrictions on physical movement, the audit team could not visit the Zones for undertaking the required audit procedures as prescribed by Standards on Audit as issued by The Institute of Chartered Accountants of India. The opinion expressed in the present report is based on the limited information, facts and inputs made available to the auditor's through electronic means. The audit procedures, including but not limited to the following could not be carried out:
 - a) Inspection, examination and verification of the original documents,
 - b) Physical verification of cash/fixed deposits including internal controls thereof.Further, in case of Bihar Zone, Eastern Zone, Jharkhand Zone, Uttarakhand Zone, U.P Zone, Bhubaneswar Zone and Hyderabad Zone the auditor could not undertake the under-mentioned audit procedures:
 - Examination of the Fixed Assets register and physical verification process;
 - Realizability of long outstanding Trade Receivables;
 - Present status of various Bank Guarantees given to Project Authorities and also given by sub-contractors to the Corporation.
 - Contingent Liability that may arise due to pending legal cases, as the auditor's have relied on Unit/Zone's report on status of the same.



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.

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.

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.

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.

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

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.

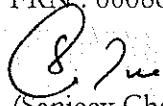
Our opinion on the financial statements, and our report on *Other Legal and Regulatory Requirements* below, is not modified in respect of the above matter with respect to break-up of profits for the year.

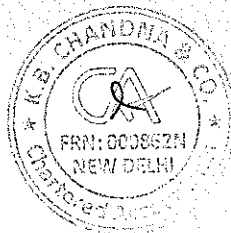
Report on Other Legal and Regulatory Requirements

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 over financial reporting 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


(Sanjeev Chandna)
Partner
M.No.087354
UDIN :



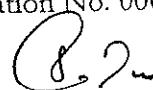
Place: New Delhi
Date : 14th December 2020

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


Sanjeev Chandna
(Partner)

Membership No. 087354

Place: New Delhi
Date: 14th December 2020

Annexure- A to the 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



Sanjeev Chandna
(Partner)
Membership No. 087354
UDIN:



Place: New Delhi
Date: 14th December 2020

ANNEXURE B" TO THE 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 over financial reporting 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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

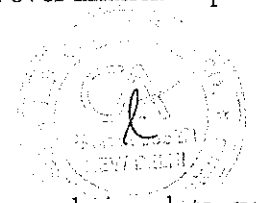
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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




Sanjeev Chandna
(Partner)

Membership No: 087354

Place: New Delhi

Date: 14th December 2020

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
	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
	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
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	3,919,499	NER(C) Shillong
31	Income Tax	Income Tax (AY 2016-17)	Appeal before Commssioner of Income Tax (Appeals)	1956814156	Corporate Office
32	Income Tax	TDS	Rectification before Income Tax Officer	11,660	EZO
			TOTAL	2 13,46,31,473	

