

**NPCC
ANNUAL
ACCOUNTS
F.Y 2020-21**

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
BALANCE SHEET AS AT 31st MARCH, 2021

(Rs. In Lakh)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
I. ASSETS				
1. Non Current Assets				
(a) Property, Plant And Equipment	2	3,724.07	3,882.86	3,993.02
(b) Capital Work-In-Progress		-	-	-
(c) Right-of-Use Asset	2A	63.66	88.90	95.64
(d) Investment Property		-	-	-
(e) Goodwill		-	-	-
(f) Other Intangible Assets	2B	3.14	6.31	9.47
(g) Financial Assets				
(i) Investment		-	-	-
(ii) Trade Receivables	6	14,325.54	12,489.58	15,515.49
(iii) Loans		-	-	-
(iv) Other Financial Assets	3	14,153.00	6,223.83	5,189.55
(h) Deferred Tax Assets (Net)	4	2,982.39	2,978.75	5,013.55
(i) Other Non-current Assets	5	1,072.09	1,880.86	2,258.83
2. Current Assets				
(a) Inventories	7	6.18	6.92	8.94
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade Receivables	6A	28,274.35	26,906.63	22,848.95
(iii) Cash and Cash Equivalents	8	40,253.14	25,917.99	42,015.22
(iv) Other Bank Balances	9	81,488.89	74,075.56	44,325.22
(v) Loans		-	-	-
(vi) Other Financial Assets	3A	8,923.84	33,113.95	18,304.21
(c) Current Tax Assets(Net)		-	-	-
(d) Other Current Assets	10	17,113.61	15,594.84	15,929.14
TOTAL ASSETS		2,12,383.91	2,03,166.98	1,75,507.23
II. EQUITY AND LIABILITIES				
1. EQUITY				
(a) Equity Share Capital	11	9,453.16	9,453.16	9,453.16
(b) Other Equity	12	12,151.65	9,592.45	7,532.85
2. LIABILITIES				
NON CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade Payable	13			
- Total outstanding dues of Micro Enterprises and Small Enterprises		-	-	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		10,550.98	10,756.69	15,569.43
(iii) Other Financial Liabilities	15	34,084.88	17,235.04	18,395.92
(b) Provisions	14	1,317.85	1,946.02	2,259.03
(c) Deferred Tax Liabilities(Net)		-	-	-
(d) Other Non-Current Liabilities	16	4,149.55	4,832.21	6,274.31
CURRENT LIABILITIES				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade Payable	17			
- Total outstanding dues of Micro Enterprises and Small Enterprises		2,524.98	1,285.36	-
- Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		57,415.52	59,891.90	36,237.89
(iii) Other Financial Liabilities	15A	13,950.87	22,586.93	19,448.49
(b) Provisions	14A	896.35	974.77	1,039.42
(c) Current Tax Liabilities(Net)		-	-	-
(d) Other Current Liabilities	16A	65,888.12	64,612.45	59,296.74
TOTAL EQUITY & LIABILITIES		2,12,383.91	2,03,166.98	1,75,507.23

Significant Accounting Policies and Notes to Accounts forming an integral part of financial statements

Note 1- 57

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

(Rajni Agarwal)
Company Secretary

(Signature)
(Arjunam Mishra)
Govt. Nominee Director
(DIN No.08271048)

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

(Signature)
(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

(Signature)
(Onil Chandna)
Partner
M.No. 092820



NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED

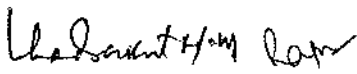
CIN NO. : U45202DL1957GOI002752

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(Rs in Lakh)

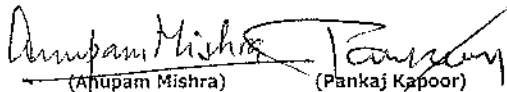
	Particulars	Note No.	Figures as at the end of Current reporting period 31st March, 2021	Figures as at the end of Previous reporting period 31st March, 2020
	REVENUE			
I	Revenue from operations	18	1,20,528.62	1,30,511.96
II	Other income	19	4,308.37	4,872.32
III	Total Revenue (I+II)		1,24,837.00	1,35,384.28
	EXPENDITURE			
IV	Construction Expenses	20	1,13,131.10	1,22,837.65
	Employee Benefit Expenses	21	5,701.33	6,869.31
	Finance Cost	22	7.25	9.54
	Depreciation and Amortisation Expenses	23	204.78	211.81
	Corporate Social Responsibility	24	127.04	22.72
	Other Expenses	25	2,547.49	2,868.81
	Total Expenditure (IV)		1,21,718.99	1,32,819.85
V	Profit/ (loss) before Exceptional Items and Tax (III-IV)		3,118.00	2,564.44
VI	Exceptional Items	26	292.41	2,062.42
VII	Profit/ (loss) before tax (V-VI)		3,410.41	4,626.85
VIII	TAX EXPENSE			
	(1) Current Tax		996.69	585.74
	(2) Income Tax-Earlier Year		2.78	16.91
	(3) Deferred Tax		(40.04)	2,017.14
IX	Profit/ (Loss) for the period from Continuing Operations		2,450.99	2,007.06
X	Profit/ (Loss) for the Discontinued Operations		-	-
XI	Tax Expenses of Discontinued Operations		-	-
XII	Profit/ (Loss) for the Discontinued Operations after Tax (X-XI)		-	-
XIII	Profit/ (Loss) for the Period (IX-XII)		2,450.99	2,007.06
XIV	OTHER COMPREHENSIVE INCOME			
	Items			
	Remeasurement of Defined Benefit Plans Gain/(Loss) - Leave Encashment		128.68	19.23
	Deferred tax impact		(32.39)	(4.84)
	Remeasurement of Defined Benefit Plans Gain/(Loss) - Gratuity		15.94	50.95
	Deferred tax impact		(4.01)	(12.82)
	Income Tax Relating to items that will not be reclassified to Statement of Profit & Loss		-	-
XV	Total Other Comprehensive Income of the Year (Net of Tax)		108.22	52.52
	Total Comprehensive Income of the Year		2,559.21	2,059.58
XVI	Earning per equity share: (Refer Note No. 29)			
	Equity share of par value of Rs 1000/- each			
	(1) Basic (In Rs Only)		259.28	212.32
	(2) Diluted (In Rs Only)		259.28	212.32

Significant Accounting Policies and Notes referred to above forming an integral part of the Statement of Profit & Loss Note 1-57



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

(Rajni Agarwal)
Company Secretary



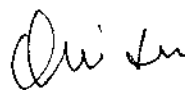
(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)

(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


(Onil Chandna)
Partner
M.No. 092820


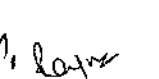





Dated : 18-08-2021
Place : Delhi

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

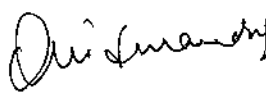
(Rs. In Lakh)

PARTICULARS	For the year ended		For the year ended	
	31 st March, 2021		31 st March, 2020	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax as per Statement of Profit And Loss		3,410.41		4,626.85
i) Adjustment For:-				
Depreciation And Amortisation of Property, Plant And Equipments And Intangible Assets	160.30		166.02	
Depreciation of Right To Use of Leased Assets	44.48		45.79	
Provision For Impairment Losses	266.24		161.16	
ECL Provision-Trade Receivables- Current	896.48		188.10	
ECL Provision-Trade Receivables- Non Current	302.49		-	
ECL Provision-Security & Retention Money- Current	4.15		284.04	
ECL Provision-Security & Retention Money- Non Current	54.04		-	
Unadjusted Credit Balances Written Back	(144.33)		(7,147.11)	
Provisions Written Back	(326.34)		(2,553.35)	
Interest Income Recognised In Statement of Profit (Loss)	(3,140.58)		(3,812.51)	
Loss/(Profit) on modification/termination of Lease	(3.34)		(0.88)	
Provision For Employee Benefits	477.18		491.13	
Trade Receivables Written off- Current	160.48		-	
Trade Receivables Written off- Non Current	-		4,926.16	
Other Balances Written off	-		2,433.20	
Loss on Cpf Trust	-		50.59	
Fixed Assets Written off	1.66		13.20	
Finance Cost	7.25		9.54	
Adjustment of Reduction In Revenue and Expenses	-		254.37	
(Profit)/Loss on Sale of Fixed Assets (Net)	(0.85)		(4.15)	
Operating Profit Before Working Capital Changes		(1,240.20)		(4,494.59)
ii) Adjustment For Change In Assets And Liabilities				
Trade Receivable- Current	(2,424.68)		(4,245.78)	
Trade Receivable-Non Current	(1,812.11)		(1,374.56)	
Other Current Financial Assets	24,155.97		(15,093.78)	
Other Non Current Financial Assets	(7,983.20)		(3,467.48)	
Other Current Assets	(1,516.77)		122.55	
Other Non- Current Assets	542.53		377.97	
Inventories	0.74		2.02	
Trade Payable- Current	(1,092.44)		32,088.76	
Trade Payable- Non Current	(205.71)		(4,812.74)	
Other Current Financial Liabilities	(8,625.65)		4,902.60	
Other Non Current Financial Liabilities	16,567.77		(1,147.53)	
Other Current Liabilities	1,275.67		5,315.71	
Other Non Current Liabilities	(682.66)		(1,442.10)	
Current Provisions	(410.86)		(485.60)	
Non-Current Provisions	(828.17)		(313.01)	
Cash Generated From Operating Activities Before Taxes		17,488.29		10,425.05
Less: Corporate Tax Paid		19,658.50		10,556.91
Net Cash Flow From Operating Activities		(999.47)		(602.66)
B) Cash Flow From Investing Activities		18,659.04		9,954.25
Dividend Income	-		-	
Sale of Property, Plant & Equipment	14.99		28.93	
Disposal of Intangible Assets	-		-	
Purchase of Property, Plant & Equipment	(14.43)		(90.66)	
Purchase of Intangible Assets	-		-	
Deposit Not Considered as Cash & Cash Equivalent	(7,413.33)		(29,750.35)	
Interest Income Recognised in Statement of Profit (Loss)	3,140.38		3,812.51	
Net Cash Flow From Investing Activities		(4,272.39)		(25,999.58)
C) Cash Flow From Financing Activities				
Dividend Payment (Including Tax)	-		-	
Repayment of Lease Liabilities	(51.50)		(51.90)	
Net Cash Flow From Financing Activities		(51.50)		(51.90)
Effect of Exchange Difference on Translation of Foreign Currency Cash & Cash Equivalents		-		-
Net Increase / Decrease in Cash & Bank Balances		14,335.15		(16,097.23)
Cash & Bank Balances At The Beginning of The Year		25,917.99		42,015.22
Cash & Bank Balances At The Closing of The Year		40,253.14		25,917.99
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		35,292.75		22,299.79
(B) Bank Deposits Having Original Maturity Less Than 3 Months		2,780.39		3,561.00
(C) Cheques In Hand/Remittance in Transit		2,180.00		78.20
(D) Cash In Hand		0.00		0.00

(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



(Onil Chandna)
Partner
M.No. 092820



NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
CIN NO. : U45202DL1957GOI002752

STATEMENTS OF CHANGES IN EQUITY AS AT 31st MARCH, 2021

A Equity Share Capital

(Rs. In Lakh)

Particulars	Balance as at 01st April, 2020	Changes in equity share capital during the period	Balance as at 31st March, 2021
Equity Share Capital	9,453.16	-	9,453.16

Particulars	Balance as at 01st 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

B Other Equity

(Rs. In Lakh)

Description	Reserves and surplus	Other Comprehensive Income		Total
	Surplus	Remeasurement of defined benefit plans	Gains / (Losses) from Investments in Equity Instruments designated head FVOCI	
Opening Balance as at 01st April, 2019	7,754.42	(222.59)	-	7,531.83
Other Comprehensive Income				-
Proposed Dividend including tax impact				-
Deferred Tax impact				-
Effects of changes in accounting policy				-
Effects of changes in prior period expenses	1.02			1.02
Tax impact due to change in accounting policy				-
Restated Balance as on 01st April, 2019	7,755.44	(222.59)	-	7,532.85
Profit for the year	2,007.06			2,007.06
Bonus Share issue				-
Other Comprehensive Income		70.18		70.18
Deferred Tax impact		(17.66)		(17.66)
Dividend Paid including tax impact				-
Dividend including tax impact on above				-
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 31st March, 2020	9,762.53	(170.07)	-	9,592.45
Profit for the year	2,450.98			2,450.98
Bonus Share issue				-
Other Comprehensive Income		144.62		144.62
Deferred Tax impact		(36.40)		(36.40)
Dividend including tax impact				-
Transfer to Corporate Office				-
Transfer from retained earnings				-
Balance as at 31st March, 2021	12,213.50	(61.85)	-	12,151.65

Ch. Sant Ad. Mr
Copy

W. M.

Pankaj

Dr. Swaraj



Ampam Mishra

Note 1: Significant Accounting Policies

Company Overview

National Projects Construction Corporation Limited, "NPCC" (the Company) is a "MINI RATNA-1" Public Sector Enterprise incorporated on 9th January, 1957 under the Companies Act, 1956.

Ministry of Water resources, River Development & Ganga Rejuvenation, vide Letter No. U.14013/1/2017-PSU Pt. 7/141 dt. 25.03.2019 informed about the approval of strategic disinvestment of NPCC by way of sale of GOIs existing 98.89% total paid-up equity share capital to WAPCOS Ltd.; a Mini-Ratna-I accredited Public Sector Enterprise under the same Ministry of Jal Shakti, Department of Water Resources, RD & GR.. NPCC became the subsidiary of WAPCOS by transfer (26.04.2019) of entire shareholding of 98.89% held by GOI along-with Management control.

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 18th August, 2021.

1. SIGNIFICANT ACCOUNTING POLICIES

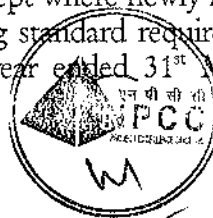
1.1 GENERAL

The Company is having decentralized accounting system and is maintaining its computerised books of accounts at Zonal Level divided into 36 units under 15 Zones and Head office.

(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 onwards.

Accounting policies have been consistently applied except where newly issued Indian Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements for the year ended 31st March, 2021 have been 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 from time to time. The Ind AS Accounting policies have been applied consistently to all years presented in the financial statements.

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.

1.3 PROPERTY, PLANT AND EQUIPMENTS

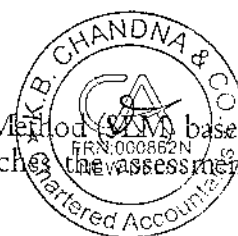
Recognition

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.

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

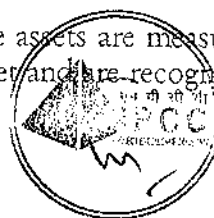
An intangible asset is an identifiable non-monetary asset without physical substance such as a technical knowhow, computer software. It is capitalized if the future economic benefits attributable to the asset will probably flow to the company and the cost of acquisition or generation of the asset can 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.



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

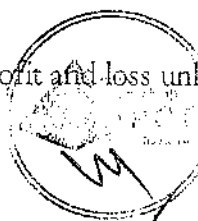
Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition except for trade receivables / trade payables which are initially measured at 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.

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).

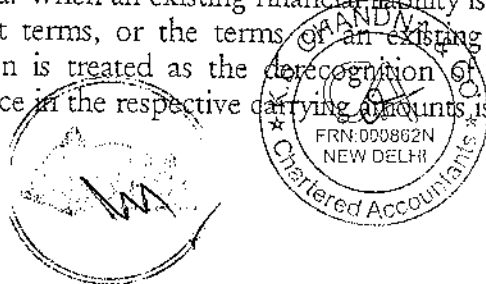
Derecognition

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.



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

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.

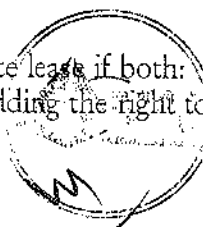
(b) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including for example a change to reflect changes in market rental rates following a market rent review. The lessee shall remeasure the lease liability to reflect those revised 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

(c) As a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in Para 46B is a lease concession. 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 modifications

(d) rent concession occurring as a direct consequence of Covid 19 pandemic and only if all of the following conditions are met :-

(i) 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;

(ii) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (a 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);

(iii) there is no substantive change to other terms and conditions of the lease.

De-Recognition

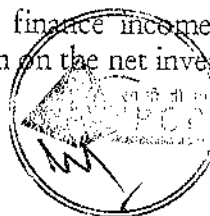
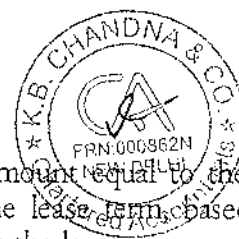
A right of use asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the right of use asset (calculated as the difference between the net disposal proceeds and the carrying amount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

Company as a Lessor

Finance Lease

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

Operating lease



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

1.14 INVENTORIES

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

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

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

1.15 PROVISIONS AND CONTINGENT LIABILITIES

(i) Provisions are recognized only when :

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

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

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

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

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

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

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

1.16 EMPLOYEE BENEFITS

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

(a) Defined Contribution Plan:

A defined contribution plan is a post -employment benefit plan under which an entity pays 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:

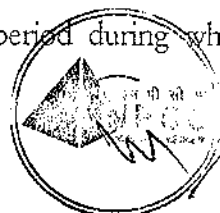
- (a) The Company has established a separate Trust to administer gratuity fund relating to regular employees.
- (b) The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability.
- (c) Gain or loss through re- measurements of net defined benefit liability / (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.

(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.

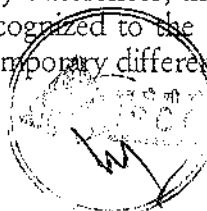
Additional taxes, interest and / or penalties levied / imposed by the tax authorities / Appellate authorities on finality are recognized in the Statement of Profit and Loss.

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

(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

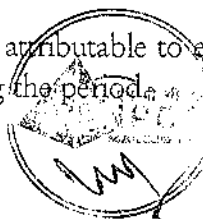
Unspent balance, if any remaining against stipulated percentage of profits under the statute, for Corporate Social Responsibility activities are appropriated to CSR Fund Account for future utilization

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.



STANDARDS ISSUED AND ARE EFFECTIVE

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

1. Amendments to Ind AS 1 and Ind AS 8

Definition of Materiality:

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

2. Amendments to Ind AS 103:

Definition of a Business:

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the company, but may impact future periods had the Company enter into any business combinations.

3. Amendments to Ind AS 107 and Ind AS 109

Interest Rate Benchmark Reform:

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

4. Amendments to Ind AS 116

Covid-19 Related Rent Concessions:

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lesser is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The Impact of rent concessions



arising as a direct consequence of the Covid-19 pandemic has been made by company during FY 2020-2021 and same has been disclosed under Note No : 37

5. Conceptual Framework for Financial Reporting:

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

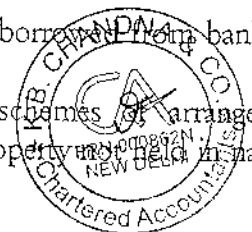
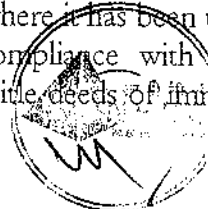
6. Amendments to CSR requirement

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

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

STANDARDS ISSUED BUT NOT EFFECTIVE

1. On March 24, 2021, Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:-
Balance Sheet
 - a. Lease liabilities should be separately disclosed under the head duly distinguished as current or non-current.
 - b. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
 - c. Specified format for disclosure of shareholding of promoters.
 - d. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
 - e. If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
 - f. Specific disclosure under regulatory such as compliance with approved schemes of arrangements compliance with number of layers of companies, title deeds of immovable property held in name of



company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss :-

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

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

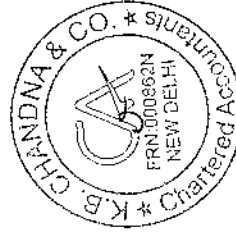
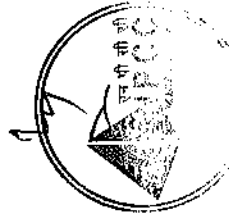
On 18th June 2021, Ministry of Corporate Affairs ("MCA") through a notification issued amendments to various IND AS. These amendments will come into force from 1st April 2021. The Company is currently evaluating the requirements of these amendments and the effect of the disclosure on the financial statements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



NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED
Property, Plant & Equipment

Note - 2

	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 01st April, 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 the year 2019-20	-	-	0.15	-	-	2.28	5.09	39.64	14.93	-	13.64	14.87	0.05	90.66
Disposal / Assets written off during the year 2019-20	-	-	-	-	13.39	111.52	21.50	50.06	25.21	14.68	14.67	30.07	3.60	284.71
Balance as at 31st March, 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
Additions during the year 2020-21	-	-	-	-	-	1.75	1.75	-	1.33	-	3.78	7.58	-	14.42
Disposal / Assets written off during the year 2020-21	-	-	-	-	42.16	0.03	2.98	-	2.04	5.64	9.34	13.84	-	76.03
Balance as at 31st March, 2021	235.67	19.45	3,054.94	34.73	263.10	1,022.79	203.86	341.72	58.45	89.09	380.81	129.85	0.87	5,835.34
Accumulated Depreciation as at 01st April, 2019	-	3.65	131.70	4.10	318.04	898.04	89.70	289.11	44.43	79.13	104.69	113.47	3.73	2,059.70
Charge for the year 2019-20	-	0.21	48.30	0.95	-	17.04	16.01	15.65	6.77	3.09	35.88	19.29	0.07	162.85
Adjustments for Disposals during the year 2019-20	-	-	-	-	13.39	103.80	20.21	28.17	24.28	11.97	13.33	28.18	3.20	246.74
Balance as at 31st March, 2020	-	3.77	180.00	4.05	304.65	811.28	85.50	256.59	26.91	70.25	127.03	104.58	0.60	1,975.81
Charge for the year 2020-21	-	0.21	48.30	0.55	-	16.37	16.08	13.85	7.52	2.11	35.98	16.10	0.06	157.13
Adjustments for Disposals during the year 2020-21	-	-	-	-	42.16	0.03	1.64	-	1.11	3.29	1.80	9.91	-	59.93
Balance as at 31st March, 2021	-	3.98	228.30	5.20	262.49	827.62	99.94	270.44	33.32	69.07	161.21	110.77	0.66	2,073.01
Provision as at 01st April, 2019	-	-	-	-	-	32.33	-	-	-	-	-	-	-	38.26
Impairment during the year 2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision reversed during the year 2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	-	-	-	-	32.33	-	-	-	-	-	-	-	38.26
Impairment during the year 2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision reversed during the year 2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	-	-	-	-	-	32.33	-	-	-	-	-	-	-	-
Net Book Value as at 01st April, 2019	235.67	15.89	2,923.09	30.62	0.62	201.70	131.81	81.37	25.01	26.00	282.73	37.83	0.69	3,993.02
Net Book Value as at 31st March, 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	0.77	3,882.86
Net Book Value as at 31st March, 2021	235.67	15.47	2,826.64	29.52	0.62	162.84	103.92	69.63	25.13	15.74	219.60	19.08	0.21	3,724.07



Note - 2A
Right to Use Asset

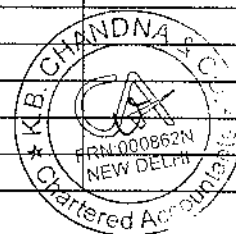
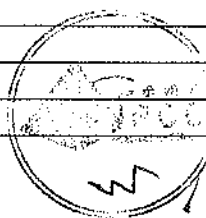
Particulars	(Rs. in Lakh)
	Right To Use
Gross Block	
Cost as at 01st April, 2019	276.14
Reclassification of ROU Building as at 01st April, 2019 on account of prior period adjustments	(146.10)
Additions during the year 2019-20	50.31
Adjustments for the year 2019-20	(2.86)
Reclassification of ROU Building due to Ind AS 116 recognised for the year 2019-20 on account of prior period adjustments	(8.40)
Balance as at 31st March, 2020	169.09
Additions during the year 2020-21	36.92
Adjustments for the year 2020-21	(17.68)
Balance as at 31st March, 2021	188.33
	-
Accumulated Depreciation as at 01st April, 2019	97.47
Reclassification to ROU Building due to Ind AS 116 as at 01st April, 2019	(63.07)
Depreciation charge for the year 2019-20	106.99
Adjustments for the year 2019-20	-
Reclassification to ROU Building due to Ind AS 116 for the year 2019-20	(61.20)
Balance as at 31st March, 2020	80.19
Depreciation charge for the year 2020-21	44.48
Adjustments for the year 2020-21	-
Balance as at 31st March, 2021	124.67
Net Book Value as at 01st April, 2019	95.64
Net Book Value as at 31st March, 2020	88.90
Net Book Value as at 31st March, 2021	63.66

* Refer Note 37

Note - 2B
Intangible Asset

Other Intangible Assets	(Rs. in Lakh)
	Computer Software
Gross Block	
Cost as at 01st April, 2019	10.00
Additions during the year 2019-20	-
Adjustments for the year 2019-20	-
Balance as at 31st March, 2020	10.00
Additions during the year 2020-21	-
Adjustments for the year 2020-21	-
Balance as at 31st March, 2021	10.00
Accumulated Depreciation as at 01st April, 2019	0.53
Amortisation charge for the year	3.17
Adjustment for Disposal	-
Balance as at 31st March, 2020	3.69
Amortisation charge for the year	3.17
Adjustment for Disposal	-
Balance as at 31st March, 2021	6.86
Net Book Value as at 01st April, 2019	9.47
Net Book Value as at 31st March, 2020	6.31
Net Book Value as at 31st March, 2021	3.14

* Refer Note 41



Note - 3
Other Financial Assets - Non-Current

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Unsecured, Considered Good			
Security Deposits/ EMD*	1,162.89	1,300.24	999.91
Retention Money	6,303.19	1,560.31	1,772.27
Bank deposits with remaining maturity of more than 12 months**	6,237.62	3,185.63	2,118.49
Interest Accrued on Bank Deposits with maturity more than 12 months	156.09	84.01	28.66
Unsecured, considered doubtful			
Security Deposits/ EMD	211.44	219.19	255.32
Less : Allowance for expected credit loss#	(211.44)	(219.19)	(255.32)
Retention Money	285.08	317.43	281.59
Less : Allowance for expected credit loss#	(285.08)	(317.43)	(281.59)
Unbilled Revenue	575.43	327.86	524.96
Less : Allowance for Impairment	(282.24)	(234.22)	(254.73)
	293.19	93.64	270.22
Total	14,153.00	6,223.83	5,189.55

* The above includes Security/EMD in the form of Bank FDR with maturity more than 12 months amounting to Rs. 19.15 Lakhs (Previous year as at 31st March, 2020 Rs. 17.67 Lakhs, as at 01st April, 2019 Rs. 22.87 Lakhs)

** The above includes Bank deposit of Rs. 1815.42 Lakhs held as margin money/ security against bank guarantees. (Previous year as at 31st March, 2020 Rs. 1148.78 Lakhs, as at 01st April, 2019 Rs. 1400.57 Lakhs)

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 money.

Refer Note No. 45

Note - 3A
Other Financial Assets - Current

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Unsecured, Considered Good			
Advances to Staff	41.04	59.09	69.43
Less: Allowance for Impairment	(26.77)	(26.77)	(27.86)
	14.27	32.32	41.58
Unsecured, Considered Good			
Security Deposits/ EMD*	496.12	687.98	1,845.43
Retention Money	585.10	4,126.28	5,398.49
Unsecured, considered doubtful			
Security Deposits/ EMD	2.98	7.16	17.54
Less : Allowance for expected credit loss**	(2.98)	(7.16)	(17.54)
Retention Money	95.99	116.40	186.05
Less : Allowance for expected credit loss**	(95.99)	(116.40)	(186.05)
Interest Accrued on Deposits	2,063.39	3,702.44	2,807.11
Unbilled Revenue	5,755.49	24,475.21	8,004.43
CPF Trust	209.02	89.15	206.61
Less : Allowance for Impairment	(200.00)	-	-
	9.02	89.15	206.61
Silver Momentos	0.45	0.57	0.57
Total	8,923.84	33,113.95	18,304.21

* The above includes EMD/Security in the form of bank FDR amounting to Rs. 286.93 Lakhs (Previous Year as at 31st March, 2020 Rs. 353.08 Lakhs, as at 01st April, 2019 Rs. 1115.57 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 money.

Refer Note No. 45



Note - 4
Deferred Tax Assets (Net)

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Deferred tax assets arising on			
Employee Benefits			
Provision for Leave Encashment	329.38	428.54	649.41
Provision for Gratuity-Regular	327.02	409.30	699.21
Provision for Gratuity-Workcharge	230.24	342.19	630.89
Provision for Bonus	1.28	0.70	-
VRS Expenses	-	0.03	35.65
Allowances for Property, Plant & Equipment And Inventory	36.59	-	-
Provision for Litigation Expenses	221.83	204.51	-
Lease Liability	17.17	32.66	65.74
Allowance for Expected Credit Loss	2,180.76	1,903.95	3,375.18
Deferred Tax Liabilities arising on			
Difference of WDV as per Companies Act, 2013 and Income Tax Act, 1961	345.87	313.13	380.10
Right to Use of Leased Assets	16.02	29.98	62.43
Total	2,982.39	2,978.75	5,013.55

Note - 5
Other Non-Current Assets

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Secured, Considered Good			
Advances to Suppliers & Sub-Contractors	226.52	1,141.29	414.55
Unsecured, Considered Good			
Advances to Suppliers & Sub-Contractors	845.46	739.43	1,843.84
Prepaid Expenses	0.04	-	-
Prepaid Expenses on discounting of SD	0.08	0.14	0.44
Unsecured, Considered Doubtful			
Advances to Suppliers & Sub-Contractors	1,836.57	1,839.44	2,004.50
Less: Allowance for Impairment	(1,836.57)	(1,839.44)	(2,004.50)
Total	1,072.09	1,880.86	2,258.83

Note - 6
Trade Receivables-Non-Current Assets

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Unsecured, considered good	14,325.54	12,489.58	15,515.49
Unsecured, considered doubtful	2,861.09	2,751.93	4,829.96
Less: Allowance for expected credit loss#	17,186.63	15,241.51	20,345.45
	(2,861.09)	(2,751.93)	(4,829.96)
Total	14,325.54	12,489.58	15,515.49

#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.45

Note - 6A
Trade Receivables-Current Assets

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Unsecured, considered good	28,274.35	26,906.63	22,848.95
Unsecured, considered doubtful	2,301.46	1,400.45	1,246.72
Less: Allowance for expected credit loss#	30,575.81	28,307.08	24,095.67
	(2,301.46)	(1,400.45)	(1,246.72)
Total	28,274.35	26,906.63	22,848.95

#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.45



Note - 7
Inventories*

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Stores and Spares (including construction material in hand, at sites and in transit)	113.14	113.88	117.40
Less: Allowance for Impairment#	(107.11)	(107.11)	(108.61)
Tools in hand	6.03	6.77	8.79
	0.15	0.15	0.15
Total	6.18	6.92	8.94

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

#Refer Note No. 34

Note - 8
Cash and Cash Equivalent

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Balance with banks in current A/C's	35,292.75	22,290.79	28,459.91
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)
Remittance in Transit	1,780.00	-	-
Cheques in hand	400.00	76.20	2,455.39
Bank deposits having original maturity less than 3 months#	2,780.39	3,551.00	11,099.69
Cash on Hand	0.00	0.00	0.23
Total	40,253.14	25,917.99	42,015.22

*Refer Note No. 38

The above include bank deposits Rs. 1228.03 Lakhs held as margin money/ security against bank guarantees. (Previous year as on 31st March, 2020 Rs. 920.50 Lakhs and as at 01st April, 2019 Rs. Nil Lakhs)

Refer Note 45

Note - 9
Other Bank Balances

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Balance with bank in deposit account having original maturity of more than three months and upto twelve months*	38,707.25	39,854.54	27,051.30
Balance with bank in deposit account having original maturity of more than twelve months and remaining maturity upto twelve months#	42,781.65	34,221.02	17,273.92
Total	81,488.89	74,075.56	44,325.22

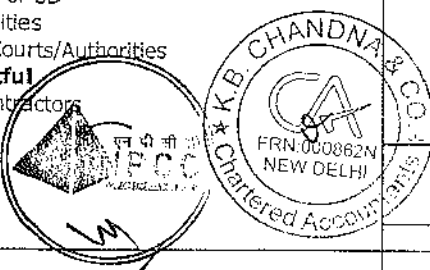
* The above include bank deposits Rs. 4201.70 Lakhs held as margin money/ security against bank guarantees. (Previous year as on 31st March, 2020 Rs. 3177.28 Lakhs and as at 01st April, 2019 Rs. 5713.10 Lakhs)

The above include bank deposits Rs. 966.64 Lakhs held as margin money/ security against bank guarantees. (Previous year as on 31st March, 2020 Rs. 2461.80 Lakhs and previous year 01st April, 2019 Rs. 2883.29 Lakhs)

Note - 10
Other Current Assets

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Advance Income Tax and TDS	6,547.37	5,892.94	3,025.64
Secured, considered Good			
Advances to Suppliers & Sub-Contractors	3,388.29	4,786.81	6,540.66
Unsecured, considered Good			
Advances to Suppliers & Sub-Contractors	2,496.24	1,021.81	1,759.11
Prepaid Expenses	22.14	6.36	20.62
Prepaid Expenses on discounting of SD	0.25	0.24	0.30
Balance with Government authorities	3,895.97	2,953.04	3,488.49
Amount deposited with various Courts/Authorities	763.37	931.86	933.73
Unsecured, considered doubtful			
Advances to Suppliers & Sub-Contractors	16.34	-	62.26
Less: Allowance for Impairment	(16.34)	-	(62.26)
Inter-unit Remittance Account	161.16	162.94	160.58
Less: Allowance for Impairment	(161.16)	(161.16)	-
	0.00	1.77	160.58
Total	17,113.61	15,594.84	15,929.14



Note - 11

Share Capital

Equity Share Capital

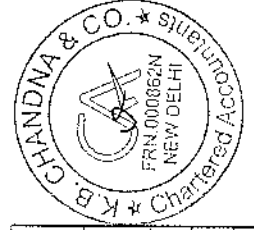
PARTICULARS	As at 31st March, 2021		As at 31st March, 2020		As at 01st April, 2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised						
Equity Shares of Rs. 1000/- each at par value	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000	70,00,000	7,00,00,00,000
Issued, Subscribed & 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 31st March, 2021, 31st March, 2020 and 01st April, 2019

PARTICULARS	As at 31st March, 2021		As at 31st March, 2020		As at 01st April, 2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
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 31st March, 2021		As at 31st March, 2020		As at 01st April, 2019	
	Number	% of share holding	Number	% of share holding	Number	% of share holding
Equity Shares of Rs. 1000/- each of par value	9,34,821	98.89	9,34,821	98.89	-	-
WAPCOS Limited						
President of India					9,34,821	98.89



Note - 12**Other Equity**

Nature and Purposes of Reserves & Surplus

1 General Reserves:

General reserves represents the free 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 to 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/includes balance arising on account of Gain/Loss on Remeasurement of Defined Benefit Plans in accordance with Ind AS 19 Employee Benefits.

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
General Reserve			
Surplus	12,213.50	9,762.53	7,755.44
Other Comprehensive Income	(61.85)	(170.07)	(222.59)
Total	12,151.65	9,592.45	7,532.85



Note - 13
Non-Current Liabilities
Trade Payables

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
- Total outstanding dues of Micro enterprises and small enterprises	-	-	-
- Total outstanding dues of creditors other than Micro enterprises and small enterprises	10,550.98	10,756.69	15,569.43
Total	10,550.98	10,756.69	15,569.43

Refer Note No. 45

Note - 14
Provisions
Provisions - Non-Current

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Provision for Employees Benefits			
Gratuity-Workmen	428.22	804.67	1,067.81
Leave Encashment	889.63	1,141.36	1,191.22
Total	1,317.85	1,946.02	2,259.03

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

Note - 14A
Provisions - Current

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Provision for Employee Benefits			
Gratuity-Workmen	486.61	523.21	531.95
Leave Encashment	409.74	451.56	507.47
Total	896.35	974.77	1,039.42

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 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Lease Liabilities*	30.91	48.85	62.20
Earnest Money and Security Deposits	28,467.77	12,765.86	14,739.43
Interest Payable			
--On Advances from Clients	341.18	341.18	488.83
Other Payables	5,245.01	4,079.15	3,105.45
Total	34,084.88	17,235.04	18,395.92

Refer Note No. 45

*Refer Note No. 37

Note - 15A
Other Current Financial Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Lease Liabilities*	37.32	47.73	38.58
Earnest Money and Security Deposits	10,024.05	17,875.76	14,691.43
Interest Payable			
--On Advances from Clients	-	-	0.35
Payable to Gratuity Trust	1,308.73	1,886.26	2,000.96
Payable to Employees	812.18	565.23	967.28
Other Payables	1,768.58	2,471.93	1,749.90
Total	13,950.87	22,586.93	19,448.49

Refer Note No. 45

*Refer Note No. 37



Note - 16
Other Liabilities
Other Non-Current Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Advances from Clients	4,149.55	4,832.21	6,274.31
Total	4,149.55	4,832.21	6,274.31

Note - 16A
Other Current Liabilities

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
Advances from Clients	61,074.87	60,488.97	55,195.06
Statutory Dues	4,707.89	4,123.47	4,101.68
Unspent CSR Amount	-	-	-
(i) ongoing projects	77.19	-	-
(ii) other than ongoing projects.	28.16	-	-
Total	65,888.12	64,612.45	59,296.74

Note - 17
Trade Payables- Current

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020	As at 01st April, 2019
- Total outstanding dues of Micro enterprises and small enterprises	2,524.98	1,285.36	-
- Total outstanding dues of creditors other than Micro enterprises and small enterprises	57,415.52	59,891.90	36,237.89
Total	59,940.49	61,177.26	36,237.89

Refer Note No. 45



Note - 18
Revenue from operations

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Construction Contracts	1,20,528.62	1,30,511.96
Total	1,20,528.62	1,30,511.96

Note - 19
Other Income

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Income		
a. Bank Deposits	5,346.17	5,655.58
Less: Interest to be passed on to PA's A/c	(2,650.24)	(2,220.80)
b. Sub-Contractors	2,695.93	3,434.78
c. Interest on refund of Income Tax	444.38	377.72
d. Unwinding Interest on Refundable Security Deposits	146.31	-
Other non-operating income	0.07	0.01
Total	1,021.68	1,059.81
Total	4,308.37	4,872.32

Note - 20
Construction Expenses

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
For Construction Projects	1,13,131.10	1,22,837.65
Total	1,13,131.10	1,22,837.65

Note - 21
Employee Benefit Expenses

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Salaries, Remuneration, Incentives and Bonus	4,534.91	5,408.71
Contributions to Provident & Other Funds	1,078.75	1,381.57
Staff Welfare Expenses	87.66	79.04
Total	5,701.33	6,869.31

Note - 22
Finance Cost

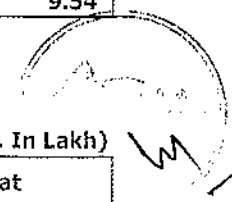
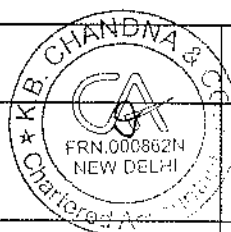
(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest Cost-Leases	7.25	9.54
Total	7.25	9.54

Note - 23
Depreciation and Amortization Expenses

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation on Tangible Assets	157.13	162.85
Amortization on Intangible Assets	3.17	3.17
Amortisation on Right to Use Asset	44.48	45.79
Total	204.78	211.81



Note - 24
Corporate Social Responsibility

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Corporate Social Responsibility (CSR)	127.04	22.72
Total	127.04	22.72

Note - 25
Other Expenses

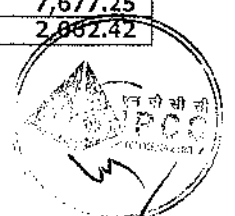
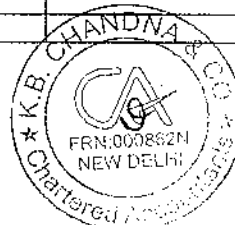
(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Power and Fuel	53.39	57.38
Short Term Leases	65.23	72.09
Repairs to Buildings	96.92	104.00
Repairs & Maintenance- Others	2.68	2.52
Insurance	6.39	5.19
Rates and Taxes	2.57	0.02
Printing and Stationery	23.82	48.28
Travelling Expenses - India	92.96	241.21
- Overseas	-	-
Vehicle & Conveyance	81.33	120.05
Hiring of Vehicle	95.57	131.80
Director's Sitting Fees	-	2.73
Postage, Telephone & Telegrams	21.21	27.43
Advertisement and Publicity	12.62	10.73
Technical Fee/Consultancy	98.29	88.62
Payment to Auditors -		
(a) Statutory Audit Fees	11.20	10.11
(b) Tax Audit Fee	4.90	4.46
(c) Company Law Matter	-	-
(d) For other Services	8.00	-
(e) Travelling Expenses	3.90	22.86
(f) Reimbursement of Expenses	-	-
Bank Charges and Guarantee Commission	65.40	116.36
Miscellaneous Expenses	203.93	323.51
Provision for Bad & Doubtful Debts	1,523.40	633.31
Provision for Legal Claims	73.79	795.56
Loss on CPF Trust	-	50.59
Total	2,547.49	2,868.81

Note - 26
Exceptional Items

(Rs. In Lakh)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Expenses		
Litigation	18.33	28.77
Reduction in Construction Expenses	-	(1,773.30)
Bad Debts/Other Balances Written off	160.48	7,359.36
(A)	178.81	5,614.83
Provisions Written Back	326.34	2,553.35
Liabilities Written Back	144.33	7,147.41
Profit on sale of Property, Plant and Equipment	0.55	4.15
Reduction in Revenue	-	(2,027.67)
(B)	471.22	7,677.25
Total (A-B)	292.41	2,862.42



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 2021	As at 31 st March 2020
Contributory Provident Fund	428.99	514.21

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 31st March 2021, 31st March 2020 and 1st April 2019.

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 Unfunded obligations

a) Amounts recognized in the balance sheet

(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)			Gratuity Workmen (Unfunded)			Leave Encashment (unfunded)		
	31 st March 2021	31 st March 2020	1 st April 2019	31 st March 2021	31 st March 2020	1 st April 2019	31 st March 2021	31 st March 2020	1 st April 2019
Present value of obligations as at the end of year	1453.26	1765.14	1882.30	914.83	1327.87	1599.75	1299.36	1592.91	1698.70
Fair value of plan assets as at the end of the year	205.91	226.42	207.20	-	-	-	-	-	-
Funded status	(1247.34)	(1538.71)	(1675.10)	(914.83)	(1327.87)	(1599.75)	(1299.36)	(1592.92)	(1698.70)
Net(asset)/liability recognized in balance sheet	1247.34	1538.72	1675.10	914.83	1327.87	1599.75	1299.36	1592.92	1698.70



b) Expenses recognized in the Statement of Profit & Loss

(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Current Service Cost	88.51	99.29	25.06	36.95	101.46	116.01
Past Service Cost		-	-	-	-	-
Interest cost on defined benefit obligation	121.79	129.12	91.62	109.74	109.91	116.53
Interest income on plan assets	14.14	13.92	-	-	-	-
Re- measurements		-	-	-	-	-
Expenses recognized in the Statement of Profit & Loss	194.68	214.20	116.68	146.70	211.37	232.54

c) Expenses recognized in Other Comprehensive Income

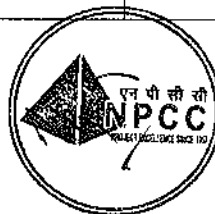
(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Return on Plan Assets	15.62	14.21	-	-	-	-
Actuarial (gains)/ loss	(1.48)	(0.29)	(15.93)	(50.94)	(128.68)	(19.23)
Expenses recognized in Other Comprehensive Income	--	--	(15.93)	(50.94)	(128.68)	(19.23)

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

(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Present value of obligations as at beginning of year	1765.14	1882.30	1327.88	1599.75	1592.91	1698.70
Interest cost	121.79	129.12	91.62	109.74	109.91	116.53
Current service cost	88.51	99.29	25.06	36.95	101.46	116.01
Actuarial (gains)/ losses						



arising from						
Changes in demographic assumptions	-	-	-	-	-	-
Changes in financial assumptions	(2.91)	68.57	(1.11)	36.08	(2.82)	64.15
Experience adjustments	(1.79)	371.43	(14.82)	(87.03)	(125.85)	(83.38)
Past service cost		-	-	-		-
Benefits paid	(517.48)	(785.57)	(513.79)	(367.63)	(376.25)	(319.08)
Present value of obligations as at end of year	1453.26	1765.14	914.83	1327.87	1299.36	1592.92

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

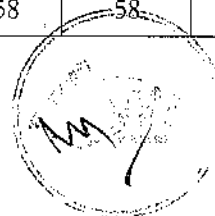
(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Fair value of plan assets on beginning of year	226.42	207.20	-	-	-	-
Interest Income	14.14	13.92	-	-	-	-
Re-measurement gain/(loss)- Return on Plan Assets excluding amounts included in net interest expense	-	-	-	-	-	-
Contribution from the employer	482.83	790.87	-	-	-	-
Benefits Paid	(517.48)	(785.57)				
Fair value of plan assets at end of year	205.91	226.42				

f) Actuarial Assumptions

(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)			Gratuity Workmen (Unfunded)			Leave Encashment (Unfunded)		
	31st March 2021	31st March 2020	01st April 2019	31st March 2021	31st March 2020	01st April 2019	31st March 2021	31st March 2020	01st April 2019
Discount rate	6.90%	6.86%	7.75%	6.90%	6.86%	7.75%	6.90%	6.86%	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	58	58	58	60/58	60/58	60/58



g) Maturity profile of Defined benefit obligation

(Rs. In Lakh)

Particulars	Gratuity Regular (Funded)		Gratuity Workmen (Unfunded)		Leave Encashment (Unfunded)	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Weighted average of the defined benefit obligation	-	-			-	-
Duration of defined benefit obligation- from the fund	6	5	1	2	6	6
Duration (years)						
1	413.43	490.19	486.60	523.21	-	-
2	292.43	334.73	237.24	407.79	-	-
3	124.52	265.09	129.81	210.08	-	-
4	154.94	135.79	38.16	116.91	-	-
5	70.87	133.80	9.70	32.61	-	-
Above 5	397.04	404.54	13.30	37.26	-	-
Total	1453.23	1765.14	914.81	1327.87	-	-
Duration of defined benefit payments-from the employer						

h) Sensitivity Analysis

(Rs. In Lakh)

Sensitivity analysis in respect of Gratuity Regular (Funded)						
Particulars	Change in assumption		Increase in defined benefit obligation		Decrease in defined benefit obligation	
	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Increase/(Decrease) in discount rate	1%	1%	65.24	64.45	(58.51)	(70.91)
Expected rate of future salary increase/(Decrease)	1%	1%	65.01	(70.91)	(59.34)	64.97
Expected change in rate of employee turnover	1%	1%	1.78	(0.89)	(2.15)	1.15



(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	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Increase/(Decrease) in discount rate	1%	1%	15.20	25.18	(14.78)	(26.09)
Expected rate of future salary increase	1%	1%	15.18	(26.03)	(15.05)	25.63
Expected change in rate of employee turnover	1%	1%	0.08	(0.20)	(0.10)	0.15

(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	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Increase/(Decrease) in discount rate	1%	1%	67.58	63.48	(59.49)	(71.19)
Expected rate of future salary increase	1%	1%	67.51	(71.08)	(60.50)	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 2021	31 st March 2020	31 st March 2021	31 st March 2020
Balance at the beginning of the year	1327.88	1599.75	1592.92	1698.70
Additional Provisions during the year	100.75	95.76	102.28	213.30
Provision used during the year	513.79	(367.63)	395.84	(319.08)
Provisions reversed during the year	--	--	--	--
Closing Balance	914.83	1327.88	1299.36	1592.92

Figures in the brackets are in respect of previous years.

Note: 29 Earnings / (Loss) per Share (EPS)(Ind AS 33)

Earnings per Share ("EPS") are determined based on the net profit attributable to the shareholders' of the Company. Basic earnings per share are 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 2021	31 st March 2020
Profit / (Loss) attributable to equity shareholders (Amount in Lakh)	2450.99	2007.06
Weighted Average number of equity shares outstanding during the year (in numbers)	945316	945316
Nominal Value per Share (in Rs)	1000	1000

Particulars	31 st March 2021	31 st March 2020
Earnings per share (in Rs)		
Basic Earnings (Loss) per share	259.28	212.32
Diluted Earnings (Loss) per share	259.28	212.32



Note: 30 Dividend and Reserves

(Rs. In Lakh)

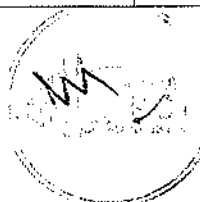
Particulars	As at 31 st March 2021	As at 31 st March 2020
Cash Dividend on Equity Shares declared and paid	--	--
Final Dividend paid	--	--
Dividend Distribution Tax paid on final dividend paid	--	--
Interim Dividend	--	--
Dividend Distribution Tax on interim dividend	--	--

*The Company has not declared any dividend for the F.Y 2020-21 and 2019-20.

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 and small enterprises as defined under the Micro and Small Enterprises are given on the basis of information available with the management :-

(Rs. In Lakh)

S.No	Particulars	As at 31st March 2021	As at 31st March 2020	As at 01 st April 2019
1 (a)	The Principal amount due thereon remaining unpaid to any supplier as at the end of each accounting year	2524.98	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:

As at 31st March 2021

(Rs. in Lakh)

	Central / State Government Departments		Foreign Governments		Others	
	Dues	Confirmation received	Dues	Confirmation received	Dues	Confirmation received
Trade Receivables	47020.68	-	741.76	--	--	--
Security Deposits/Retention Money-Clients	8836.71	-	196.96	--	--	--
Advances from Clients	64999.86	-	224.56	--	--	--
Trade Payables	--	-	--	-	70491.47	6917.25
Security Deposits/Re	--	--	--	--	38491.82	3548.01



tention Money- Sub Contractors						
Advance to Suppliers and Sub-Contractors	-	-	--	-	8809.41	1.87

As at 31st March 2020

	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/Retention Money-Clients	7743.94	569.45	196.96	--	--	--
Advances from Clients	65096.92	--	224.56	--	--	--
Trade Payables	--	--	--	--	71933.95	10865.59
Security Deposits/Retention Money- Sub Contractors	--	--	--	--	30641.62	--
Advance to Suppliers and Sub-Contractors	--	--	--	--	9528.78	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. 47762.44 lakh out of which Rs. 980.14 lakh (Rs. 1768.29 lakh as at 31st March, 2020 and Rs. 125.57 Lakh as at 01st April, 2019) 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. 1.92Lakh (Previous Year Rs. 13.88Lakh)

Note: 34 Inventories include Rs. 107.11Lakh (Previous Year Rs. 107.11Lakh) confiscated by Project Authorities which are unadjusted pending settlement of account. However, there exist unadjusted liabilities in excess of the value of assets confiscated.

Note 35: 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 :-

- i. The Gross amount required to be spent by the Company during the financial year ended 2020-21 Rs. 127.05 Lakh (Previous year Rs. 108.55).
- ii. Amount spent during the financial year ended 31st March 2021 and 31st March 2020:

Particulars		In Cash	Yet to be paid in cash	Total
i) Construction / acquisition of any asset	31 st March 2021	19.21	-	19.21
	31 st March 2020	14.09	-	14.09
ii) On purpose other than (i) above	31 st March 2021	2.48	-	2.48
	31 st March 2020	8.63	-	8.63

iii. Details Related to spent/Unspent Obligation:

Particulars	31 st March 2021	31 st March 2020
Spent For CSR Activities	21.69	22.72
Contribution	-	-
Unspent Amount in relation to		
Ongoing project*	77.20	85.83
Other than ongoing project*	28.16	-
Total :	127.05	108.55

* The Unspent amount in relation to “Ongoing projects” and “Other than Ongoing Projects” have been recognised as liability in books of accounts for transfer in accordance to section 135 of Companies Act, 2013.

** No Transaction is entered into by the company with related party in relation to CSR Expenses.



Note: 36 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	
			2020-21	2019-2020
WAPCOS Limited	Parent entity and Controlling entity (Ultimate Shareholder - Hon'ble President of India)	India	98.89%	98.89%

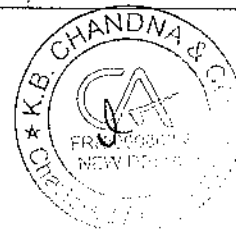
(ii) Post Employment Benefit Plans

NPCC Ltd. Employees Contributory Provident Fund Trust and NPCC Limited Employee Gratuity Trust	Post Employment Benefit Plan of NPCC Limited.	India	--	--
--	---	-------	----	----

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

(iv) Key Managerial Personnel:

Whole time Directors / Chief Financial Officer / Company Secretary	Designation	Period	
		From	To
Ms. Debashree Mukherjee	Additional Charge of CMD	01 st Oct, 2020	Till date
Sh R.K Gupta	Additional Charge of CMD	11 th June, 2019	30 th Sept., 2020
Sh Manohar Kumar	Director Engineering	21 st April, 2016	20 th April, 2021
Sh. Pankaj Kapoor	Additional Charge of D(F)	04 th Sept., 2020	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
Sh. Jagmohan Gupta	Government Nominee Director	21 st July, 2015	13 th May, 2021
Sh. Anupam Mishra	Government Nominee Director (Part Time Director)	13 th August, 2019	Till date

(v) Statement of Transactions with Holding Company:

(Rs. In Lakh)

Particulars	31st March 2021	31st March 2020
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	-	-

(vi) Statement of Transactions with Key Managerial Personnel

(Rs. In Lakh)

Particulars	31 st March 2021				31 st March 2020			
	Short Term Employee benefits	Post-Employment benefits	Share Based payment & Termination Benefits	Other Long Term benefits	Short Term Employee benefits	Post-Employment benefits	Share Based payment & Termination Benefits	Other Long Term benefits
A. Whole time director / Chief Financial Officer/ Company Secretary								
Ms. Debashree Mukherjee	-	-	-	-	-	-	-	-



Sh R.K. Gupta	-	-	-	-	-	-	-	-
Sh Manohar Kumar	41.72	1.25	-	-	38.05	1.57	-	-
Sh. Pankaj Kapoor	-	-	-	-	-	-	-	-
Sh Sahab Narain	17.12	2.23	-	-	37.77	3.97	-	-
Smt. Rajni Agarwal	24.42	-	-	-	24.22	-	-	-
B. Government Nominee Director								
Total	82.26	21.91	-	-	100.04	22.40	-	-
Outstanding Balances	-	-	-	-	-	-	-	-
Ms. Debashree Mukherjee	-	-	-	-	-	-	-	-
Sh R.K. Gupta	-	-	-	-	-	-	-	-
Sh Manohar Kumar	-	-	-	-	-	-	-	-
Sh. Pankaj Kapoor	-	-	-	-	-	-	-	-
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 are as follows:-

(Rs.in Lakh)

Name & Designation	31 st March,2021*	31 st March,2020
Dr. (Shri) Ravindra K. Pande Independent Director		1.53
Dr. (Smt) Jayashree Gupta Independent Director		1.20



* The Tenure of Both the Independent Directors i.e. Dr. (Shri) Ravindra K. Pande and Dr. (Smt) Jayashree Gupta completed on 06.02.2020 after serving for 03 Years. As on date all the 03 Positions of Independent Directors are vacant.

(vii) 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 st March, 2021	Year ended 31 st March, 2021
Revenue	3307.12	3599.08

Significant Balances with Government related entities:-

(Rs. In Lakh)

Description of Transaction	Year ended 31 st March, 2021	Year ended 31 st March, 2021
Other Advances	--	--
Payables	--	--
Advance Outstanding	413.49	1374.67
Receivables	401.45	297.04

Note: 37 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.

The Company has considered certain leases as short term which were earlier considered as long term lease in all previous years. The same is considered a prior period error and the financial effect in respect thereof in respective prior periods has been disclosed as part of the lease movement tables



mentioned below in this para and which now forms part of the comparative figures of 31st March 2020 and 01st April 2019 provided in the financial statements.

i. Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	(Rs. in Lakh)		
Right of Use Assets	31 st March, 2021	31 st March, 2020	01 st April, 2019
Buildings	63.66	88.90	95.64

As at 31st March 2021

	(Rs. in Lakh)		
Lease Liability	Current	Non-Current	Total
Buildings	37.32	30.91	68.23

As at 31st March 2020

	(Rs. in Lakh)		
Lease Liability	Current	Non-Current	Total
Buildings	47.73	48.85	96.58

As at 01st April, 2019

	(Rs. in Lakh)		
Lease Liability	Current	Non-Current	Total
Buildings	38.58	62.20	100.78

Additions to the Right of use during FY 2020-21 were Rs. 36.92 Lakh (Previous Year Rs. 41.91 Lakh).

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	31 st March 2021	31 st March 2020
Buildings	44.48	45.79

Interest Expenses (Included in Finance Cost)	31 st March 2021	31 st March 2020
Interest Expense	7.25	9.54

The total cash outflow for ROU Building leases in 2020-2021 Rs. 51.50Lakh (Previous Year Rs. 51.90 Lakh).



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:-

Particulars	(Rs. In Lakh)	
	2020-21	2019-20
Short Term Leases	65.44	72.62
Variable Lease Payments	--	--
Total rental expenses relating to operating leases	65.44	72.62

Lease Concession:-

Disclosure of Lease Concession as per Ind AS 116 "MCA Notification dated 24-07-2020" Para 60 A of Ind AS 116:

- (a) Company has applied the practical expedient to all lease concessions that meet the conditions in Para 46 B of Ind AS 116 as a direct consequence of the COVID- 19 pandemic.
- (b) Rs 0.24 Lakhs has been recognized in Statement of Profit & Loss Account under "Other Non Operating Income-Note 19" on account of lease concession under Lease of Himachal Pradesh Zone and Southern Zone to which Company has applied the practical expedient that meet the conditions in Para 46 B of Ind AS 116.

Lease Modification:-

During the current financial year, Company under North East Zonal Office, Guwahati in capacity of lessee have modified the lease terms resulting in the partial termination of lease that decrease the scope of the lease. The company has recognized gain of Rs. 1.51Lakh in profit or loss account relating to the partial termination of lease. The financial effect of revising the lease terms under North Eastern Zone to reflect the effect of lease modification was as follows:

Net Increase in ROU Buildings (Before Depreciation) Rs.6.14 Lakh.

Net Increase in Lease Liabilities Rs 4.63 Lakh.

(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.

(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.

(v) 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 2021	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	21.61	20.69	23.28	9.67	--	75.25
Total	21.61	20.69	23.28	9.67	--	75.25

(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	28.50	25.90	52.01	--	--	106.40
Total	28.50	25.90	52.01	--	--	106.40

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

(Rs. in Lakh)

Particulars	31 st March, 2021
As at 01 st April 2020	96.58
Addition/Modification during the year	15.90
Finance Cost of Lease Liabilities	7.25
Payments	51.50
As at 31 st March 2021	68.24
Current	37.32
Non Current	30.91



(Rs. in Lakh)

Particulars	31 st March, 2020
As at 01 st April 2019	188.12
Reclassification of Lease Liabilities as at 01st April, 2019 Reclassification of Lease Liabilities as at 01st April, 2019 on account of prior period adjustments	(87.35)
Addition/Modification during the year	46.97
Finance Cost of Lease Liabilities	15.34
Payments	120.28
Readjustment of Lease Liabilities recognised during the year 2019-20 on account of prior period adjustments	(53.58)
As at 31 st March 2020	96.58
Current	47.73
Non Current	48.85

Note:-38 Operations in Iraq have ceased since many years and due to repatriation restrictions, full provision has been made against the Bank Balances of Rs. 383.69 Lakh (ID 381403.165). Revaluation of balance in the bank account in foreign currency was last made on 31st March, 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 \$ 7.17 Lakh (equivalent to Rs. 5270.28 Lakh converted @ Rs. 73.5047 per USD as at 31st March 2021) by Central Bank of Iraq in its books, not amounting to actual credit to the account of the Exim Bank.

Note 39:- 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 2021	31 st March 2020
Equity Share Capital	9453.16	9453.16
Other Equity	12151.65	9592.45
Total Equity	21604.81	19045.61



Note 40:- 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)

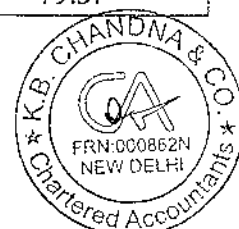
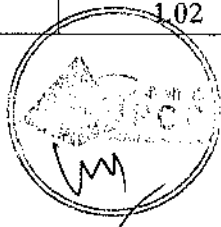
Nature of Expenditure / (Income)	Related to FY 2019-20	Prior to FY 2019-20
Expenditure:		
Construction Expenses	(357.44)	(692.32)
Short Term Lease	68.37	67.81
Employees Benefit Expenses	-	3.62
Litigation Expenses	11.76	1.57
Depreciation and Amortisation Expenses-ROU Asset	(61.20)	(63.07)
Finance Cost	(5.80)	(9.06)
Others	0.98	1.40
Total Expenditure	(343.33)	(690.03)
Income:		
Revenue from Operations	(408.94)	(760.86)
Other Income	143.96	71.84
Total income	(264.98)	(689.02)

(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	2020-21		
	Prior to 01 st April 2019	Impact on 2019-20	Total
Trade Receivables	--	(0.67)	(0.67)
Other Current Financial Assets	(751.43)	(413.61)	(1165.04)
Other Non-Current Financial Assets	(9.43)	24.86	15.43
Other Bank Balances	(0.17)	0.89	0.72
Other Non-Current Assets	71.84	118.07	189.91
Right to Use	(83.03)	52.80	(30.23)
Total Assets	(772.22)	(217.65)	(989.87)
Trade Payables	(692.32)	(357.44)	(1049.76)
Other Financial Liabilities	6.43	12.07	18.50
Other Non Current Financial Liabilities	(87.35)	54.18	(33.17)
Other Current Liabilities	--	(4.80)	(4.80)
Total Liabilities	(773.24)	(296.00)	(1069.24)
Net Assets (Equity)	1.02	78.34	79.37



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

(Rs. In Lakh)

Nature of Expenditure / (Income)	Related to FY 2019-20
Expenditure:	
Construction Expenses	(357.44)
Short Term Lease	68.37
Employees Benefit Expenses	-
Litigation Expenses	11.76
Depreciation and Amortisation Expenses	(61.20)
Finance Cost	(5.80)
Others	0.98
Total Expenditure	(343.33)
Income:	
Revenue from Operations	(408.94)
Other Income	143.96
Total income	(264.98)
Net Impact (Loss)	78.34

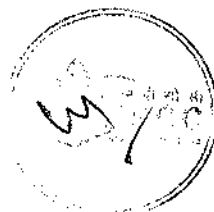
Aforesaid prior period figures are crystallized during the year 2020-21 through these are prior period transactions and tax benefit on such transactions is available in the year 2020-21. However, these figures are restated as per Ind AS 8 to the respective years.

Note 41:- 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,	31 st March,
	2021	2020
Amortization recognized in the Statement of Profit & Loss	3.17	3.17

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 42:- Operational Segments

(Rs. in Lakh)

Particulars	31 st March 2021	31 st March 2020
Revenue :		
(a) PMC	102584.32	111796.91
(b) EPC	17944.30	18715.05
Total	120528.62	130511.96
Identifiable Operating Expenses	113066.33	123195.10
Segment Profit/ (Loss) from operations	7462.29	7316.86
Add: Interest Income	3286.69	3812.51
Add: Other Income including exceptional items	1021.69	1059.81
Less: Un-allocable Expenses	8360.26	7562.33
Net Profit before Tax	3410.41	4626.85
Less: Income Tax including deferred tax	959.43	2619.79
Net Profit after Tax	2450.99	2007.06
Additional Information :		
Depreciation and amortization	204.78	211.81
Non-Cash Expenses/ (Income) other than depreciation and amortization :		
Reversal of Provisions	326.34	2553.35
Profit on sale of PPE	0.55	4.15
Loss on sale of PPE	--	--

- (i) Revenue of Rs. 40133 Lakh (Previous Year 31st March 2020; Rs 27953 Lakh) from major customers is given below:-

(Rs. in Lakh)

Description	Year ended 31 st March 2021			Year ended 31 st March 2020		
	PMC	EPC	Total	PMC	EPC	Total
Customer-1	15943	4922	20865	9516	5117	14633
Customer-2	14852	4416	19268	8689	4631	13320
Total	30794	9338	40133	18205	9748	27953



Note 43: 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 2021				31 st March 2020				01 st April 2019			
		FV TP L	F V T O C I	Amorti sed Cost	Fair Value	F V T P L	F V T O C I	Amortis ed Cost	Fair Value	F V T P L	F V T O C I	Amorti sed Cost	Fair Value
Other Financial Assets including Retention money and security deposits (Non Current)	3			14153.0 0	14153.0 0			6223.83	6223.83			5189.5 5	5189.55
Trade Receivables	6			42599.8 9	42599.8 9			39396.21	39396.2 1			38364. 45	38364.4 5
Cash & Cash Equivalent	8			40253.1 4	40253.1 4			25917.99	25917.9 9			42015. 22	42015.2 2
Other Bank Balanc	9			81488.8 9	81488.8 9			74075.56	74075.5 6			44325. 22	44325.2 2



e													
Other Financial Assets including Retention money and security deposits (Current)	3		8923.84	8923.84			33113.95	33113.95			18304.21	18304.21	
Total			187418.75	187418.75			178727.55	178727.55			148198.65	148198.65	

Particulars	Note Reference	31 st March 2021				31 st March 2020				01 st April 2019			
		FVT PL	FVT OCI	Amortised Cost	Fair Value	FVT PL	FVT OCI	Amortised Cost	Fair Value	FVT PL	FVT OCI	Amortised Cost	Fair Value
Financial Liabilities													
Trade Payables	13			70491.47	70491.47			71933.95	71933.95			51807.32	51807.32
Lease Liabilities	15			68.24	68.24			96.58	96.58			100.78	100.78



Other financial Liabilities (Current and Non Current)	15			47967.51	47967.51			39725.39	39725.39			37743.63	37743.63
Total Financial Liabilities				118527.21	118527.21			111755.92	111755.92			89651.73	89651.73

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

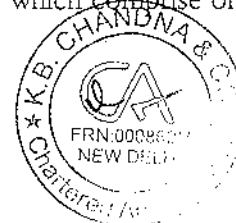
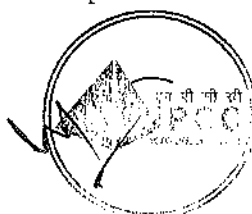
Financial Assets and Financial Liabilities measured at fair value in the Balance Sheet are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:-

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 44: 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 and Bank balances. Since the company is executing projects of similar type as that of its holding company and most of its clients are central and state government as that of its holding company and as such the company has adopted ECL matrix as that of the holding company.

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 has been made in respect of deferred debts (debtors which have not become due for payment as at 31 March of respective financial year)/ unbilled revenue. The Company has therefore adopted the 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 45: 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, Bank Deposits and Interest Accrued thereon	12 month expected credit loss
Moderate credit risk	Trade receivables, Security Deposits/Retention Money	Life time expected credit loss
High credit risk	Trade receivables, Security Deposits/Retention Money	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 2021	31 st March 2020	01 st April 2019
A. Low credit risk	Cash and cash equivalents, other bank balances, Bank Deposits and Interest Accrued thereon, EMD,	137047.33	132575.40	101690.54



	Unbilled Revenue etc.			
B. Moderate credit risk	Trade receivables, Security Deposit & Retention Money	36422.18	38731.45	35699.47
C. High credit risk	Trade receivables, Security Deposit & Retention Money, Unreconciled CPF Balance, Unbilled Revenue etc.	20599.97	12788.77	18089.21

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:

(A) Low Credit Risk

As at 31st March 2021

(Rs. in Lakh)

Particulars	Note Reference	Gross Carrying Amount	Impairment	Net carrying Amount
Cash and cash equivalents	8	40636.83	383.69	40253.14
Other bank balances	9	81488.89	--	81488.89
Bank Deposits and Interest Accrued thereon	3 & 3A	8457.11	--	8457.11
Advances to Staff & Silver Momentos	3A	14.72	--	14.72
EMD/Security Deposit Others	3 & 3A	388.21	2.72	385.49
Security Deposit in Form of FDR	3 & 3A	306.08	--	306.08
Unbilled Revenue	3A	5755.49	--	5755.49



As at 31st March 2020

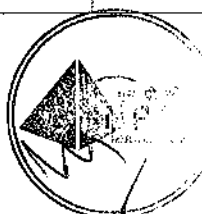
(Rs. in Lakh)

Particulars	Note Reference	Gross Carrying Amount	Impairment	Net carrying Amount
Cash and cash equivalents	8	26301.68	383.69	25917.99
Other bank balances	9	74075.56	--	74075.56
Bank Deposits and Interest Accrued thereon	3 & 3A	6972.08	--	6972.08
Advances to Staff & Silver Momentos	3A	32.89	--	32.89
EMD/Security Deposit Others	3 & 3A	347.20	11.48	335.72
Security Deposit in Form of FDR	3 & 3A	370.78	--	370.78
Unbilled Revenue	3A	24475.21	--	24475.21
Balance with CPF Trust	3A	89.15	--	89.15

As at 01st April 2019

(Rs. In Lakh)

Particulars	Note Reference	Gross Carrying Amount	Impairment	Net carrying Amount
Cash and cash equivalents	8	42398.91	383.69	42015.22
Other bank balances	9	44325.22	--	44325.22
Bank Deposits and Interest Accrued thereon	3 & 3A	4954.25	--	4954.25
Advances to Staff & Silver Momentos	3A	42.15	--	42.15
EMD/Security Deposit Others	3 & 3A	827.13	67.68	759.45
Security Deposit in Form of FDR	3 & 3A	1138.45	--	1138.45
Unbilled Revenue	3A	8004.43	--	8004.43
Balance with CPF Trust	3A	206.61	--	206.61



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

Expected credit loss for trade receivables, Security Deposit and Retention Money under simplified approach

As at 31st March 2021

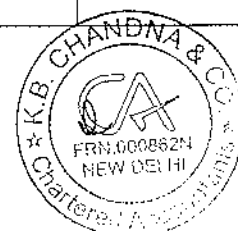
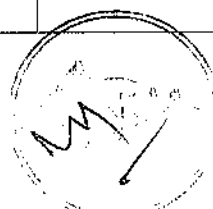
(Rs. in Lakh)

Ageing	Note Reference	Up to 1 Year	Between 1 Year and 2 Years	Between 2 year and 3 years	Total
Gross carrying amount (Trade Receivable)	6	21140.64	5959.89	3143.02	30243.56
Gross Carrying amount (Security Deposit /Retention amount)	3	1622.68	1662.83	2893.12	6178.63
Expected credit losses (Trade receivables)		115.38	161.78	101.17	378.33
Expected Credit Losses (Security Deposit & Retention Money)		6.24	13.54	15.52	35.30
Net Carrying amount of Trade receivables, Security Deposits & Retention Money		22641.70	7447.40	5919.45	36008.55

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 (Trade Receivable)	6	22311.78	3686.72	6841.47	32839.97
Gross Carrying amount (Security Deposit /Retention amount)	3	4609.85	433.24	848.39	5891.49
Expected credit losses (Trade receivables)		179.32	67.60	207.18	454.10
Expected Credit Losses (Security Deposit & Retention Money)		14.50	9.03	6.29	29.82
Net Carrying amount of Trade receivables, Security Deposits &		26727.81	4043.34	7476.39	38247.53



Retention Money					
-----------------	--	--	--	--	--

As at 01st April 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 (Trade Receivable)	6	16249.61	10097.70	3520.46	29867.77
Gross Carrying amount (Security Deposit /Retention amount)	3	4484.91	1299.06	47.73	5831.70
Expected credit losses (Trade receivables)		196.88	209.31	176.33	582.52
Expected Credit Losses (Security Deposit & Retention Money)		6.67	9.10	0.17	15.94
Net Carrying amount of Trade receivables, Security Deposits & Retention Money		20530.97	11178.35	3391.69	35101.01

High credit risk (consisting of Trade receivables, Security Deposit and retention, unbilled revenue and un-reconciled Balance with CPF Trust ageing from 3 and above years)

As at 31st March 2021

(Rs. In Lakh)

Particulars	Note Reference	Period	Gross Carrying Amount	Impairment	Net Carrying Amount
Trade Receivables	6	Above 3 Years	17518.88	4784.22	12734.66
Security Deposit & Retention Money	3 & 3A	Above 3 Years	2269.87	557.46	1712.41
Unbilled Revenue	3	Above 3 Years	575.43	282.24	293.19
Loss on CPF Trust	3A	Above 3 Years	209.02	200.00	9.02
Advances to staff	3A	Above 3 Years	26.77	26.77	



As at 31st March 2020

(Rs. In Lakh)

Particulars	Note Reference	Period	Gross Carrying Amount	Impairment	Net Carrying Amount
Trade Receivables	6	Above 3 Years	10708.62	3698.28	7010.34
Security Deposit & Retention Money	3 & 3A	Above 3 Years	1725.52	618.87	1106.65
Unbilled Revenue	3	Above 3 Years	327.86	234.22	93.64
Advances to staff	3A	Above 3 Years	26.77	26.77	--

01st April 2019

(Rs. In Lakh)

Particulars	Note Reference	Period	Gross Carrying Amount	Impairment	Net Carrying Amount
Trade Receivables	6	Above 3 Years	14573.35	5494.15	9079.20
Security Deposit & Retention Money	3 & 3A	Above 03 Years	2963.04	656.88	2306.16
Unbilled Revenue	3	Above 3 Years	524.96	254.73	270.22
Advances to staff	3A	Above 3 Years	27.86	27.86	--

Reconciliation of loss provision – Trade receivables

(Rs. In Lakh)

Reconciliation of Loss allowance	Trade Receivables
Loss allowance on 01 st April 2019	6076.67
Impairment loss recognised	188.10
Reversal	(2112.39)
Loss allowance on 31 st March 2020	4152.38
Impairment loss recognised	1198.96
Reversal	(188.80)
Loss allowance on 31 st March 2021	5162.55



Reconciliation of loss provision – Security Deposits/Retention Money

(Rs. In Lakh)

Reconciliation of Loss allowance	Security Deposits/Retention Money
Loss allowance on 01 st April 2019	729.92
Impairment loss recognised	180.14
Reversal	(252.41)
Loss allowance on 31 st March 2020	657.65
Impairment loss recognised	58.18
Reversal	(123.07)
Loss allowance on 31 st March 2021	592.76

(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 2021	Note Reference	Upto one year	More than one year	Total
Non derivatives				
Trade Payables	13 & 17	59940.49	10550.98	70491.47
Earnest money and security deposits	15	10024.05	28384.54	38408.59
Total		69964.54	38935.52	108900.06



(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	48086.48	23847.47	71933.95
Earnest money and security deposits	15	12054.38	26436.72	38491.1
Total		60140.86	50284.19	110425.05

(Rs. in Lakh)

Contractual maturities of financial liabilities at 01 st April, 2019	Note Reference	Upto one year	More than one year	Total
Non derivatives				
Trade Payables	13 & 17	51807.32	-	51807.32
Earnest money and security deposits	15	11241.04	10856.13	38491.82
Total		63048.36	10856.13	90299.14

(C) Market Risk

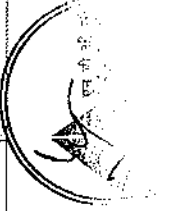
There is no exposure to market risk as no investment is held by the company.



Note 46: Movement in Deferred Tax Assets

(Rs.
In Lakh)

Particulars	01st April 2020	Recognized in Other Compreh ensive Income	Recognize d in Statement of Profit & Loss	31st March 2021	Recognized in Other Comprehens ive Income	Recognize d in Statement of Profit & Loss	Charged / Credited pursuant to section 115BAA		31 st March 2021
							Profit & Loss	OCI	
Deferred Tax Assets arising on:									
Employees Benefits	2015.16	(17.66)	(816.76)	1180.74	(36.40)	(256.42)			887.92
Provision for Estimated Credit Losses	3375.18	-	(1471.23)	1903.95	-	313.40			2217.35
Lease Liabilities	65.74	-	(33.08)	32.66	-	(15.48)			17.18
Others	-	-	204.51	204.51	-	17.32			221.83
Deferred Tax Liabilities arising on:									
Depreciation	380.10	-	(66.97)	313.13	-	32.74			345.87
ROU Assets	62.43	-	(32.45)	29.98	-	(13.96)			16.02
Total - Rs.	5013.55	(17.66)	(2017.14)	2978.75	(36.40)	40.04			2982.39



Note: 47

(In Lakh)

Tax Expenses	For the year ended on 31 st March 2021	For the year ended on 31 st March 2020
Tax expense comprises of :		
Current Income Tax	996.69	585.74
Deferred Tax	(40.04)	2017.14
Taxation in Respect of Earlier Year	2.78	16.91
Total	959.43	2619.79

Note 48: 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 31 st March 2021	For the year ended on 31 st March 2020
Accounting Profit before Tax from Continuing Operations	3410.41	4548.51
At India's Statutory Income Tax Rate of 25.168%	858.33	1144.77
Tax effects of amount which are not deductible (taxable) in calculating Taxable Income		
Expenditure not allowed in Income Tax (Net)	134.72	398.16
Impact of Tax in OCI	(36.40)	(17.66)
Prior period adjustments not allowed in Income Tax	--	(19.72)
Impact of Change in Rate of Income Tax	--	1077.61
Impact of Previous Year Tax Expense & Other Impacts	2.78	16.91
Total Rs.	101.10	1455.30
At Effective Tax Rate	959.43	2619.79
Income Tax Expenses reported in statement of Profit and loss accounts (including OCI)	959.43	2619.79
Effective Tax Rate	28.13%	56.62%



Note 49: Contingent Liabilities and Contingent Assets:

(i) Contingent Liabilities:

The Company had contingent liabilities at 31st March 2021 in respect of:

(Rs. In Lakh)

Particulars of Items	As at 31 st March 2021	As at 31 st March 2020
a. Claims against the company not acknowledged as debt;		
--Outstanding claims of contractor pending in arbitration and Courts	11205.49	10485.15
--Service tax and Income tax demands disputed in appeals / rectification	22603.29	22307.99
b. Guarantees		
--Outstanding amount of bank guarantees against mobilization and other advances (margin money in shape of FDRs amounting to Rs. 4193.48 Lakh (Previous year Rs. 4611.13 Lakh)	4931.15	7459.11
--Performance bank guarantees (Margin money in shape of FDRs amounting to Rs. 4018.27 Lakh (Previous year Rs. 3097.23 Lakh)	8894.92	8872.16
Total	47634.85	49124.41
c. Other money for which the company is contingently liable Cases relating to Service matters and Complaint matters amount of liability being not ascertainable not reported.		
d. Contingent Assets	-	-

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	2020-21	2019-20
Property, Plant and Equipment	Nil	Nil
Investment Properties	Nil	Nil
Intangible Assets	Nil	Nil

Movement Chart for Contingent Liability-

(Rs.in Lakh)

	As at 31 st March 2021	As at 31 st March 2020
Opening Balance	49124.41	30755.31
Additions : During the Year	1038.40	20799.11
Less : Adjusted /Settled During the year	(2527.96)	(2430.01)
Closing Balance	47634.85	49124.41

Note 50: Disclosures on Revenue from contracts with customers (Ind AS-115) are as follows:

i. Significant Management Judgement on Revenue Recognition.

Recognized amounts of contract revenues and related receivables reflect management 's best estimates of each contract's outcome and stage of completion which is determined based on progress efforts cost incurred to date bear to the total estimated cost of the transaction time spend service performed or any other method that management considered appropriate. For more complex contracts in particular cost to complete and contract profitability are subject to significant estimation and uncertainty.

ii. Company has contract with customers for different services which are given below:

- Consultancy services
- Turnkey construction projects

iii. Company has recognized revenue either on the basis of over time or point of time depends upon satisfaction of performance obligation on transferring control of goods or services to customers. Revenue has been recognized by the company over time basis if any one of the following conditions is met:

- Customer simultaneously receives and consumes the benefits.
- Company's performance creates or enhances an asset that the customer controls as the assets is created or enhanced.
- Company performance does not create with alternative use and company has enforceable right to payment for performance completed to date.



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 Recognise revenue when a performance obligation is satisfied.

Contract Assets – Unbilled Revenue:

Invoices are raised to the clients on the basis of milestones mentioned in the contract. In some of the cases performance obligation is completed however billing is not done due to factors other than passage of time as mentioned in the milestone. Revenue in excess of billing is unbilled revenue and is classified as a contract asset. Any amount previously recognised as a contract asset is reclassified to trade receivables as and when billing is done and respective milestone is achieved.

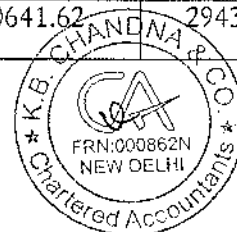
1. Significant Changes in contract assets and liabilities

(Rs. In Lakh)

Contract Liabilities -Advance from Clients	As at 31 st March 2021	As at 31 st March 2020	As on 01st April 2019
Opening Balance of Contract Liabilities	65321.18	61469.37	33837.57
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	(96.76)	3851.81	27631.80
Closing Balance of Contract Liabilities	65224.42	65321.18	61469.37

(Rs. In Lakh)

Contract Liabilities – Security Deposits	As at 31 st March 2021	As at 31 st March 2020	As on 01st April 2019
Opening Balance of Contract Liabilities	30641.62	29430.86	29722.31
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	7850.20	1210.76	(291.45)
Closing Balance of Contract Liabilities	38491.82	30641.62	29430.86



(Rs. In Lakh)

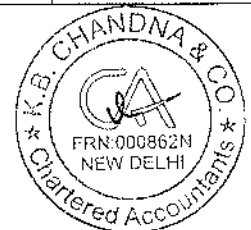
Contract Assets-Unbilled Revenue	As at 31 st March 2021	As at 31 st March 2020	As on 01st April 2019
Opening balance of Contract assets	24803.08	8529.38	6840.34
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	(18472.16)	16273.70	1689.04
Closing balance of Contract Assets	6330.92	24803.08	8529.38

(Rs. In Lakh)

Contract Assets- Security Deposit	As at 31 st March 2021	As at 31 st March 2020	As on 01st April 2019
Opening balance of Contract assets	2214.57	3118.20	2528.76
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	(341.14)	(903.64)	589.44
Closing balance of Contract Assets	1873.43	2214.57	3118.20

(Rs. In Lakh)

Contract Assets- Retention Money	As at 31 st March 2021	As at 31 st March 2020	As on 01st April 2019
Opening balance of Contract assets	6120.42	7638.40	8003.29
Add : Addition during current year (net of amount recognised in statement of Profit and Loss)	1148.95	(1517.99)	(364.89)
Closing balance of Contract Assets	7269.36	6120.42	7638.40



Assets and Liabilities related to contract with customers

(Rs. In Lakh)

Description	As at 31 st March 2021		As at 31 st March 2020		As on 01 st April 2019	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Contract assets related to value of work done						
Unbilled Revenue	575.43	5755.49	327.86	24475.21	524.96	8004.43
Security Deposit	1374.33	499.10	1519.43	695.14	1255.23	1862.97
Retention Money	6588.27	681.09	1877.73	4242.68	2053.86	5584.54
Contract Liabilities related to value of work done						
Advance from clients	4149.55	61074.87	4832.21	60488.97	6274.31	55195.06
Security Deposit	28467.77	10024.05	12765.86	17875.76	14739.43	14691.43

Note 51: During the year ended 31st March 2021, out of Rs. 24803.08 Lakh; Rs. 23932.73 Lakh of unbilled revenue as of 01st April 2020 has been reclassified to Trade receivables upon billing to customers on completion of milestones and Rs. 294.94 Lakh has been billed during the F.Y 2021-22. Differential of Rs. 870.35 Lakh is pending in litigation/disputes and have been duly impaired in the Books of Accounts.

Note 52: The aggregate value of performance obligations which are yet to be completed as at 31st March 2021 is Rs. 652162 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
251600	166453	106118	83789	34009	10194	652162



Note 53: Impact due to Covid -19

In December 2019 Corona virus Disease (COVID-19) was reported and since then has not only affected the health of people across the globe but it has also caused severe disturbance to the global economic environment. The Management has made an assessment of its liquidity position for the next year including that of recoverability of carrying value of its Financial and non-Financial assets. The Company expects to recover the carrying amounts of these assets based on the assessment.

Since there are inherent uncertainties arising out of the rapidly changing environment caused by the pandemic the situation as predicted from the estimations and assumptions undertaken in the preparation of the financial statements may vary with the actual outcome in the future. The Management continues to monitor any material changes arising due to future economic conditions and making any significant impact on the financials of the Company. The management does not see any risk in the ability of the Company to continue as a going concern and meeting its liabilities as and when due.

Wherever any projects completion times have passed but project not completed --- company believes that it will be able to obtain extension in view of the Covid-19 pandemic and that there will be no financial impact on the financial statements owing to the same.

Note 54: 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.

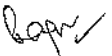
Note 55: The Company is not paying GST on deposit received from Project authority in terms of proviso to section 2(31) of the CGST Act. However Company is also in process to file a representation seeking relaxation for GST to be paid on advances for services rendered under works contract.

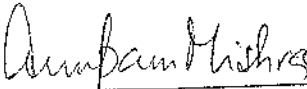
Note 56: Cost incurred in fulfilling the contract is charged to Statement of Profit and Loss if it is not recoverable otherwise the same is part of unbilled revenue and unbilled Assets.

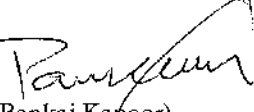



Note 57: Previous year figures have been regrouped and/ or reclassified whenever necessary to confirm to those of the current year grouping and/ or classification. Negative figures have been shown in brackets.

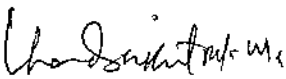
For and on Behalf of the Board


(Rajni Agarwal)
Company Secretary

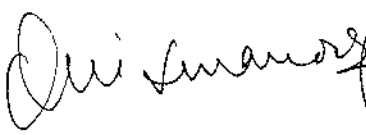

(Anupam Mishra)
Govt. Nominee Director
(DIN No.08271048)


(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
FRN :000862N


(Onil Chandna)
Partner
M.No. 092820



Date: 18-08-2021
Place: New Delhi

K. B. CHANDNA & CO.

CHARTERED ACCOUNTANTS



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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, 2021, 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 Patna, Eastern Zone Kolkata, Jharkhand Zone Ranchi, UP Zone Lucknow, South Eastern Zone Bhubaneswar, Southern Zone Bengaluru, North East Zone Guwahati, Uttarakhand Zone Dehradun and Tripura Zone Agartala.

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, 2021, 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 statements:

1. Note No. 32 --- Balances of claims recoverable, trade receivables, advances to contractors, trade payables and security deposits/retention money from contractors are subject to confirmation and consequential adjustments thereof.
2. 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.
3. Note No 55 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 imposable thereon has not been ascertained by the management.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Directors' Report including Annexures thereto / Chairman's Statement / Management Commentary / Corporate Governance Report, but does not include the financial statements and auditor's report thereon.

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

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

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

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)⁵ and cash flows of the Company in accordance with⁶ the accounting principles generally



accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

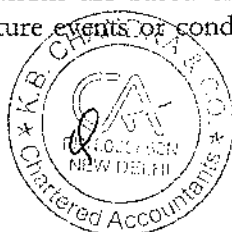
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going



concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matters

We did not audit the financial statements of 20 Branches included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 1,50,663.23 Lakhs as at 31st March 2021 and the total revenue of Rs 91,879.6 Lakhs 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; and proper returns adequate for the purposes of our audit have been received from the Zonal Offices/branch(es) not visited by us;
 - c. The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - d. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the



Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

e. in our opinion, the aforesaid standalone financial statements comply with the Ind AS prescribed under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules 2015 as amended;

f. In terms of Notification No. G.S.R 463(E) dated 5th June, 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Companies Act, 2013 regarding disqualification of Directors are not applicable to the Company being a Government Company.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**.

h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we are informed that the company being a Government Company, the provisions of section 197 read with schedule V of the Act, relating to managerial remuneration are not applicable to the company in terms of Notification No. G.S.R. 463(E) dated 5th June 2015.

i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position, in its standalone IND AS financial statements. Refer Note No. 49 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, 2021.

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

ERN : 000862N



(Onil Chandna)

(Partner)

M.No.092820

UDIN : 21092820AAAAGE4514



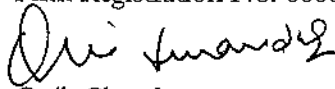
Place: New Delhi

Date :18th August 2021

In terms of Section 143(5) of the Act, we give below a reply to the Directions issued under the aforesaid section by the Comptroller & Auditor General of India:

S. No	Directions	Reply
i.	Whether the Company has system in place to process all accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has a system in place to process all the accounting transactions through the IT system. The Company maintains all accounting transactions in IT system in Tally Software and Excel Software. During the course of our audit we did not come across accounting transactions which were processed outside the IT system
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. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for Statutory Auditor of lender Company)	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 (Grants/Subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its 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 (Grants/subsidy etc.) from Central/State Government or its agencies for specific schemes during the year.

For K.B.Chandna & Co.
Chartered Accountants
Firm Registration No. 000862N

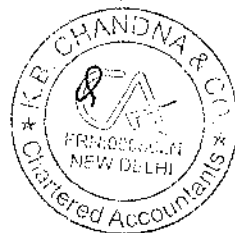


Onil Chandna
(Partner)

Membership No. 092820

Place: New Delhi

Date: 18th August 2021



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 2021, we report that:

(i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets except at Central Office, Gurgaon where identification marks are not affixed on assets which may prevent the company to locate the assets.

(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.

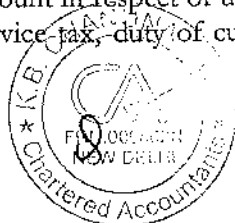
(ii) Inventories have been physically verified as per reports furnished to us, except in respect of material at closed sites to which the Company does not have access to. Refer Note 34 relating to certain inventories impounded by the Project Authorities;

(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 and there are no dues outstanding as at year end for a period exceeding 6 months except for the following :-

Name of the Statute	Nature of the Dues	Amount(Rs)	Period to which amount relates	Due date	Date of payment	Remarks
Income Tax Act, 1961	TDS Payable	Rs 30,490	Not known	Not known	Not paid	Jhabua Unit

However, the company has written back the above said liability during the year 2021-22. Further, 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 1' 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.

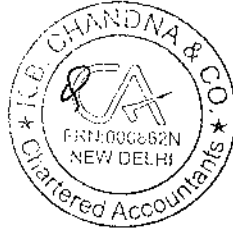


(xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K. B. Chandna & Co.
Chartered Accountants
Firm Registration No. 000862N



Onil Chandna
(Partner)
Membership No. 092820
UDIN: 21082820AARAGE4514



Place: New Delhi
Date: 18th August, 2021

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 with reference to financial statements of National Projects Construction Corporation Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the unit's assets that could have a material effect on the financial statements.

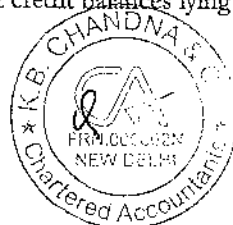
Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 :-

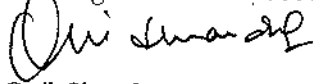
- i. The company has a system of requesting for balance confirmations in respect of Claims Recoverable, Trade Receivables, Advances to Contractors, Trade Payables, Balances to/from Project Authorities and Security Deposits/ Retention money outstanding to/from contractors/Project Authorities. However, 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 most of the 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.
- ii. 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.



- iii. 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.
- iv. The Company needs to be more diligent in obtaining confirmation of bank guarantees submitted by the Sub-Contractor's in their favor since there was an instance of a fake bank guarantee submitted by one of the sub-contractors. Based on our test-check, we are of the opinion that the company has obtained confirmations of other bank guarantees submitted by sub-contractors.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of March 31, 2021, standalone IND AS financial statements of the Company, and these material 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



Onil Chandna
(Partner)

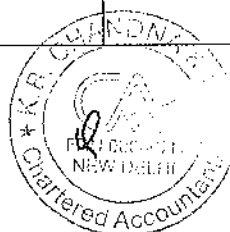
Membership No: 092820
Place: New Delhi
Date: 18th August, 2021



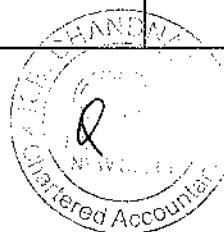
Appendix 1

Details of Disputed Statutory Dues :-

SL. No.	Name of Statute	Nature of dues	Authority before whom case is pending	Amount (Rs.)	Unit
1	Income Tax	Income Tax (AY 2016-17)	Appeal before Commissioner of Income Tax (Appeals)	2,052,981,859	Corporate Office
2	Jharkhand VAT Act	Output Tax (FY 12-13)	The Addl. Commissioner of Commercial Tax Jharkhand, Ranchi has remanded back the case to assessing authority to pass order afresh taking into account a judgement of the Commercial Tax Tribunal, Ranchi in the case of revision petition no RN 04 of 2016 period 2011-12 in the case of NPCC.	17,978,524	RANCHI WORKS



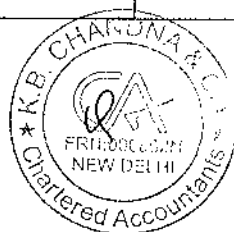
			<p>ranchi vs the state of Jharkhand. Copy of order is enclosed.</p>		
3	Jharkhand VAT Act	Output Tax (FY 13-14)	<p>The Addl. Commissioner of Commercial Tax Jharkhand, Ranchi has remanded back the case to assessing authority to pass order afresh taking into account a judgement of the Commercial Tax Tribunal, Ranchi in the case of revision petition no RN 04 of 2016 period 2011-12 in the case of NPCC. ranchi vs the state of Jharkhand.</p>	18,478,484	RANCHI WORKS



			Copy of order is enclosed.		
4	Income Tax	TDS	Rectification before Income Tax Officer	93,010	JHARKHAND
5	MVAT	MVAT Demand (2016-17)	Revised Order Received & Rectification filed before S.Tax Officer, Nagpur	27,260,270	WZO Mumbai
6	Central Excise/Service Tax	Service Tax, Interest and Penalty	Central Excise Service Tax Appellate Tribunal, Kolkata	80,360,384	Khalgaon
7	Central Excise/Service Tax	Joint Commissioner, Central Excise, Shillong	CESTAT, Kolkata	25,471,508	NER(IBBW) Agartala
8	Sales Tax	Demand Tax 1999-2000	Assistant Commissioner, Sales Tax Authority, Bhubaneswar	692,015	Orissa Zonal Office
9	Sales Tax	Demand Tax 1999-2000	Commissioner of Commercial	345,203	Rourkela (merged with



			Taxes, Cuttack		Talcher STPP)
10	Sales Tax	Demand Tax 1997-98 1998-99 1999-2000	Sales Tax Tribunal, Cuttack Orissa	1,729,423	Nalco Damanjodi (merged with NTPC Simhadri)
11	Service Tax	Demand of service Tax	Appellate Tribunal Kolkata,	13,414,619	Nalco D Type Qtr's, Angul
12	Sales Tax	Sales Tax	Sales Tax Tribunal, Cuttack	130,183	OZO
13	Service Tax	Finance Act 1994	CESTAT, Kolkata	10,876,126	NER(C) Shillong
14	Income Tax	TDS	Rectificatio n before Income Tax Officer	16,670	CONCOR/C RPF
15	Income Tax	TDS	Rectificatio n before Income Tax Officer	136,980	DZO
16	Income Tax	TDS	Rectificatio n before Income Tax Officer	32,630	NIHFW
17	Central Excise/Ser vice Tax	Service Tax,Interest and Penalty	Commissio ner, Custom & Excise, Raipur	4,272,118	Sipat
18	Chattisgarh Sales Tax/ E T	Sales Tax Penalty, (1984-87)	Appeal before High Court, Bilaspur	1,583,000	GGDU, Koni
19	Sales tax	Sales tax (2008-09)	Comm. of Appeal of Sales Tax, Raipur	481,010	CZO, Raipur
20	Sales tax	Sales tax (2009-10)	Comm. of Appeal of Sales Tax,	785,649	CZO, Raipur



			Raipur		
21	Income Tax	TDS	Rectification before Income Tax Officer	220,310	Raipur
22	Income Tax	TDS	Rectification before Income Tax Officer	2,987,320	Sipat
23	Income Tax	TDS	Rectification before Income Tax Officer	1,770	Shimla
			TOTAL	2,260,329,065	

