

2nd

# ANNUAL REPORT

2015 - 16

## NBCC SERVICES LIMITED

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







**Registered & Corporate Office**  
**NBCC SERVICES LIMITED (NSL)**

(A Government of India Enterprise)

CIN-U74900DL2014GOI272532

Shop No. 25/2, Basement, NBCC Place

Bishma Pitamah Marg, Pragati Vihar, New Delhi – 110 003

E-mail: [nsl@nbccindia.com](mailto:nsl@nbccindia.com), Website: [www.nslindia.in](http://www.nslindia.in)

Phone: 011-24360907





## NBCC SERVICES LIMITED – A BRIEF PROFILE

**N**BCC Services Ltd (NSL), set up in October 16, 2014, is a wholly owned subsidiary of NBCC with mandate to extend maintenance services in respect of projects completed by the parent company, NBCC so as to provide end to end services to its customers. NSL has earned a niche for itself in the field of Post Construction Maintenance Services, consistently ensuring quality, sustainability, innovation and cost-effectiveness for its clients. The maintenance projects earlier being handled by NBCC, have now become the responsibility of NSL. In addition, the company, of late, has also secured some renovation/furnishing projects directly from the clients such as National Informatics Centre Services Inc.(NICS), Bharat Broadband Nigam Ltd. (BBNL), National Informatics Centre (NIC), Neyvelli Lignite Corporation (NLC), National Commission of Women (NCW), Ministry of Corporate Affairs (MCA) etc. NSL is also extending maintenance support to Real Estate Projects completed by NBCC and delivered to its customers.

### BUSINESS OPERATIONS:

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

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

### MAIN OBJECTIVES:

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

## CORPORATE VISION

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

## MISSION

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

## OBJECTIVES

To carry on business in respect of residential as well as commercial projects and provide any type of services e.g. – post construction services, layout structural work, renovation, modification, designing of civil works, improve security and safety provisions To supply logistic support, manpower or services. To act as execution and implementation agency to undertake corporate social responsibilities projects, sustainability development projects, heritage building restoration works and other infrastructure projects.



## REFERENCE INFORMATION

### **Registered Office**

Shop No. 25/2, Basement, NBCC Place,  
Bishma Pitamah Marg,  
Pragati Vihar, New Delhi – 110003

### **Statutory Auditors**

M/S Aiyar & Company

### **Bankers**

Punjab and Sind Bank  
ICICI Bank  
Syndicate Bank





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Maintenance works of CBI H.Q Building

CENTRAL BUREAU OF INVESTIGATION

## BOARD OF DIRECTORS



**S K Chaudhary**  
Chairman

Shri S K Chaudhary is the Chairman on the Board of NBCC Services Ltd and Director (Projects) in NBCC (India) Ltd. He joined NBCC on November 13, 2013 as Director (Projects). Shri Chaudhary is a Civil Engineering Graduate from Delhi College of Engineering (DCE) and a Masters in Management from IIT, Delhi. He holds expertise in Project Financing, Project Management and Business Development. Shri Chaudhary's appointment as Chairman, NBCC Services Ltd is considered as a highly positive step in the interest of the Organisation.



**Hem Raj**  
Director

Shri Hem Raj is a Director on the Board of NBCC Services Ltd. Besides, he is holding the position of Executive Director of NBCC India Ltd. A Civil Engineering Graduate by profession and Fellow of Institute of Engineers (I), Shri Hem Raj has 38 years of experience to his credit in the discipline, beginning his career with Central Water Commission of the Government of India in the year 1977.



**B K Sokhey**  
Director

Smt. B K Sokhey Joined NBCC on 15th January, 1990 and subsequently went up the ladder to become Chief General Manager(Fin) the position she is presently holding. Currently Ms Sokhey is the Incharge of Treasury Management and she has sound experience of managing all areas of Finance in the Company. Ms Sokhey is an FCWA and holds B.Com (Hons) degree from Shri Ram College of Commerce, Delhi University. Before joining NBCC, Ms Sokhey served at Peerless General Finance Company Limited for a period of two years.



**A Sabeena**  
Chief Executive Officer

Smt. A Sabeena is the Chief Executive Officer of NBCC Services Limited. She has joined NSL on 9.5.2016 on secondment and prior to this, she was posted as General Manager(Engg.) in the Project Management Group of NBCC (India) Ltd. Smt. Sabeena joined NBCC as a Management trainee on 22.5.1989 and has more than 25 years of rich experience in various fields in different capacities. Smt. Sabeena is a Bachelor of Civil Engg and has MS (by Research) from IIT, Madras on Building Technology.



**Ravi Kumar Jain**  
Chief Financial Officer

Shri RK Jain is the Chief Financial Officer of NBCC Services Limited. He has joined NSL on January 18, 2016 on secondment and prior to this he was posted as Deputy General Manager (Finance) in Mahovshree, SBG Office of NBCC (India) Limited. Sh. R K Jain joined NBCC on June 07, 1982 and has more than 34 years of rich experience in various fields with different capacities. He has done his master in Business Administrates in (Finance) from IGNOU.

## CHAIRMAN'S ADDRESS

Dear Shareholders,

I, on behalf of the Board of Directors' present the 2nd Annual Report on the performance of NBCC Services Limited (NSL) together with the Audited Statement of Accounts, Auditors' Report and Review of the Accounts by the Comptroller and Auditor General of India for the Financial Year 2015-16.

"NBCC Services Limited" with its Headquarter in New Delhi, was incorporated on 16.10.2014 with main objective to act as Execution and Implementation Agency to undertake CSR Projects and undertake maintenance services of projects of various Ministries/Departments of the Government of India and CPSEs etc. Further, the Company has been undertaking the maintenance of heritage building restoration works, internal renovation works for various clients besides projects completed by NBCC. Your Company is continuing to extend its end to end services to all its clients to their complete satisfaction.

### Financial Highlights

During financial year 2015-16, your Company's performance has shown significant improvement as the turnover has risen to Rs. 8055.38 lacs from Rs. 47.59 lacs in the previous year. Net Loss of Rs. 16.26 lacs as sustained in the first year of its operations has been turned into a Net Profit of Rs 576.71 lacs in the year under consideration.

### Business Prospects

In addition to the on going 15 maintenance projects, the company is planning to undertake the maintenance work of Pravashiya Bhartiya Kendra in Chanakyapuri, Central Detective Training School in Ghaziabad; CBI, Lucknow; ITBP Referral hospital in Greater Noida, NBCC Heights in Sector-89, Gurgaon etc. in the current financial year 2016-17. All these projects have been completed by NBCC (India) Limited and NSL will be extending its facility management services to all these clients.

In the area of renovation/furnishing works; NSL has already created a niche for itself by delivering a number of projects successfully for BBNL, NICSI, Nursing Council of India, Ernet, Andhra Bhawan, Bikaner House, Mazgaon Dockyard Limited, Neyveli Lignite Corporation etc. in a short span of time. New orders, being received as well as clients request for taking up their works are being timely attended to create a professional image. Some of the new clients added to your Company's portfolio are NSEZ, Noida, National Textile Corporation, Ministry of Shipping, Department of Public Enterprises, Department of Disinvestment, National Institute of Animal Husbandry, Baghpat etc.

Currently, your Company has been concentrating for business mainly in Delhi & NCR and looking forward to expand its business in outside areas and metro cities to secure more maintenance works for operational viability. Your Company is taking imitative for implementing complaint monitoring system in maintenance and ERP system for its financial transactions.

With this, I would like to conclude my speech.

I once again thank you for your continued support. Your company's plans of generating greater returns are now turning into a reality and I would like you to remain with us to reap the benefits of hard work and perseverance.

**Date : May 12, 2016**  
**Place : New Delhi**

**Sd/-**  
**S K Chaudhary**  
**Chairman**  
**DIN-00515672**



## NOTICE

Notice is hereby given that the 2nd Annual General Meeting of the Company will be held on Wednesday, September 07, 2016 at 11.00 A.M in the NBCC Bhawan, Conference Room at 1st Floor, New Delhi -110003 to transact the following businesses :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2016, including the Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss Account for the year ended on that date together with the Cash Flow Statement and the reports of the Board of Directors and Auditors thereon.
2. To fix the remuneration of the Statutory Auditors of the Company to be appointed by the Comptroller & Auditor General of India for auditing the accounts of the Company for the Financial Year 2016-17. In this connection to pass with or without modifications the following resolution , as an Ordinary Resolution:  
“RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditors of the Company appointed by Comptroller and Audit and General of India for financial year 2016-17, as may be deemed fit “
3. To appoint a Director in place of Shri Hem Raj (DIN 06955662), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize Board of Directors to fix remuneration of the Statutory Auditor(s) of the Company for the FY 2016-17.

**By order of the Board**  
**For NBCC Services Limited**  
**Sd/-**  
**Baldev Kaur Sokhey**  
**Director**  
**DIN: 06955670**

**Place: New Delhi**  
**Date: May 12, 2016**

### Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING [FORM OF PROXY IS ANNEXED]. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) `AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 1400 hrs to 1600 hrs. upto the date of AGM.

# NSL'S 2<sup>ND</sup> ANNUAL GENERAL MEETING

**Date:** September 07, 2016

**Time:** 1100 hrs

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

## Route - Map





# DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the second (2nd) Annual Report and the Audited Financial Statements of 'NBCC Services Ltd.'(NSL) for the Financial Year ended March 31, 2016.

## FINANCIAL HIGHLIGHTS

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

(Rs. in Lacs.)

Particulars	Financial year 01-04-2015- 31-03-2016
Total Income	8162.50
Total Expenses	7305.79
Profit before Exceptional and Extraordinary items and Tax	856.71
Net Profit/(Loss) After Tax	576.71
Work in hand as on 1.4.2016	8400.00

## OPERATIONS AND BUSINESS PERFORMANCE

The total revenue from operations till March 31, 2016 was Rs. 856.71 lacs.

## SHARE CAPITAL

The paid-up share capital of NSL is Rs. 2 crore divided into Rs 20,00,000 equity shares of Rs 10/- each. NSL being the wholly owned subsidiary of NBCC its all shares are held by NBCC.

## RESERVES

No amount is proposed to be carried to or transferred to any type of reserves.

## DIVIDEND

No amount is recommended as Dividend for the financial year 2015-16.

## BUSINESS REVIEW

The Company has been incorporated as wholly owned subsidiary of NBCC (India) Limited formerly *National Buildings Construction Corporation Ltd.* (NBCC) with an objective to provide post construction maintenance services to clients and to act as execution and implementation agent for carrying out CSR activities of its own and on behalf of other Organizations.

## ORDER BOOK

Order book of NSL stands at Rs. 84 crores as on March 31, 2016.

## FIXED DEPOSITS

During the year under review, your Company has not accepted any deposit and no principal or interest was outstanding as on March 31, 2016.

## LOAN, GUARANTEES AND INVESTMENTS

The Company has not provided for any Loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 .

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

## HUMAN RESOURCE

At NSL, people are the real assets. NSL prides itself in grooming its employees to become finest System Operators in the country. With a balanced mix of young and experienced executives, it is a vibrant, progressive and innovation oriented organization. NSL has consistently strived towards creating an employee value proposition by putting special focus on learning and development, and instituting best in-industry practices.

## PARTICULARS OF EMPLOYEES

During the year under report, none of the employees was in receipt of remuneration in excess of the limits prescribed under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## INDUSTRIAL RELATIONS

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

## SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

No such complaints have been received from any employee during the year under report.

## OFFICIAL LANGUAGE

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as per DPE Guidelines, forms part of this Annual Report as **Annexure - I**.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- in the preparation of annual accounts for the financial year ended March 31, 2016 , the applicable Accounting Standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departure from the same;
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31,2016 and of the profit of the Company for the period ended on that date ;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;





- the Directors have prepared the annual accounts on a going concern basis;
- the Director has laid down internal financial controls to be followed by the Company and such internal controls are adequate and are operating effectively and
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively..

## CORPORATE GOVERNANCE REPORT

The Board firmly believes that good Corporate Governance is fundamental in ensuring that the Company is well managed in the interests of all of its stakeholders. Therefore, the Board will continue to seek to identify and formalise best practice for adoption by the Company.

Through NBCC Services Limited is not a listed company, but keeping the underlying principles of Corporate Governance i.e. value, ethics, and commitment to follow best practice. Corporate Governance Report for the year ended March 31, 2016 forms part of this report as **Annexure- II**.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR) & SUSTAINABILITY DEVELOPMENT

During the financial year 2015-16 the Company is not fall within the ambit of the provisions of Section 135 of the Companies Act, 2013, thus the provisions relating to CSR did not apply to the Company.

## RISK MANAGEMENT

The Company is in process to formulate its own Risk Management Policy to manage and monitor the principal risks and uncertainties that may affect the functioning of the Company.

## INTERNAL FINANCIAL CONTROL

The Company's Internal Financial Control Systems are commensurate with the nature of its business and the size and complexity of operations. The Company has in place adequate internal financial controls with reference to financial statements.

## VIGILANCE ACTIVITIES

Till the company formulate its own vigil mechanism the procedure for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation to the Companies Code of conduct established by the holding company which includes the duly adopted Whistle Blower Policy will be applicable to the NSL. Ms. Maya Keswani, DGM(HR) is functioning as vigilance officer

## TRANSPARENT DEALINGS AND VIGILANCE AWARENESS

Good governance plays a very significant role in building the trust of the Stakeholders and eventually in making an organization successful and sustainable. With this goal, your Company strives to focus mainly on preventive Vigilance and achieve good governance by emphasizing transparency, integrity, accountability, fairness, equity and adherence to rules, regulations and the laws of the land.

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

## AUDITORS AND AUDITOR'S REPORT

### Statutory Auditors

M/s Aiyar & Co , Chartered Accountants, was appointed as Statutory Auditors for the financial year 2015-16 by

the Comptroller & Auditor General of India (C&AG). The notes on financial statement referred in the Auditor's Report are self explanatory and do not call for any further comments. The Auditors 'Report is attached and forms part of this Annual Report.

## COMMENTS OF C&AG

The comments of Comptroller & Auditor General of India (C&AG) on the financial statements of the Company for the year 2015-16 are attached and forms part of this report.

## NUMBER OF MEETING OF BOARD OF DIRECTORS

The Board met five (5) times during the financial year 2015-16, i.e. May 05, July 30, August 12, November 06, 2015 and February 04, 2016. The intervening gap between the two Board Meetings was within the period prescribed under the Companies Act, 2013.

## BOARD OF DIRECTORS

Policy on Directors appointment etc. : NSL being a Government Company, the provisions of section 134(3) (e) of the Companies Act, 2013 shall not apply in view of the Gazette notification dated 05.06.2015 issued by Government of India, Ministry of Corporate Affairs.

Performance Evaluation: NSL being a Government Company, the provisions of section 134(3)(p) of the Companies Act, 2013 shall not apply in view of the Gazette notification dated 05.06.2015 issued by Government of India, Ministry of Corporate Affairs.

## Appointment / Cessation etc.

No Appointment/Cessation took place during the Financial Year 2015-16.

## CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER(CFO)

During the year, Smt. A Sabeena has been appointed on the Board of Company as Chief Executive Officer in place of Shri K K Kapoor. Shri Ravi Kumar Jain appointed as Chief Financial Officer (CFO) in palce of Shri Harish Chander.

The Board places on record deep appreciation for the valuable contribution of Shri K K Kapoor and Shri Harish Chander.

## TRAINING OF DIRECTORS

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

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The company is conscious about the need for conservation of energy and this aspect is taken care of in consultation with its clients by advocating the maximum use of natural light , solar light and LED installations. The Company has not imported any technology and there was no foreign exchange earnings or outgo during the financial year under review.



## CEO / CFO CERTIFICATION

As required under Clause 4.5 of the DPE Guidelines on Corporate Governance, the Certificate signed by Smt A Sabeena, CEO and Shri Ravi Kumar, CFO as placed before Board of Directors as enclosed as **Annexure – III**.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Particulars of contracts/ arrangements/ transactions referred in prescribed Form AOC-2 as enclosed to this Report as **Annexure – IV**.

## EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in Form MGT 9 as provided under section 92 of the Companies Act, 2013 is forming part of the Annual Return as **Annexure – V**.

## SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material order passed by the regulator or court or tribunal impacting the going concern status and operations of the company.

## GENERAL

Directors hereby state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. None of the Director is receiving any remuneration, commission or sitting fee from the company.
2. No material change and commitment affected the financial position of the company occurred after the end of the financial year to which this financial statement relate and upto the date of this report.
3. During the year under consideration no employee was in receipt of remuneration in excess of limits prescribed under the revised provisions of section 197(12) of the Companies Act, 2013 read with Rule5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel)Rules, 2014.
4. The company is compliant of the Secretarial Standards issued by the ICSI from time to time.

## ACKNOWLEDGEMENTS

The Directors would like to express their sincere appreciation for the assistance and co-operation received from the Holding Company i.e. NBCC, Government Authorities, Government Agencies and employees of the Company. The Directors also wish to place on record their appreciation of the whole hearted and continued support extended by the members which has been a source of inspiration and strength to the Board.

**For and on behalf of the Board  
NBCC Services Limited**

**Sd/-  
S K Chaudhary  
Chairman  
DIN-00515672**

**Date : May 12, 2016  
Place : New Delhi**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

NBCC Services Ltd (NSL), a wholly owned subsidiary of NBCC was established with the mandate of extending maintenance services to the clients. NSL has earned good reputation in the field of Post Construction Maintenance Services with quality, sustainable, innovative and cost-effective services to its clients, since its formation on 16.10.2014. The maintenance projects earlier being handled by NBCC have been now transferred to NSL and in addition some new renovation projects have been secured directly from clients for NICS, BBNL, NIC, NLC, NCW, MCA etc. NSL is also extending maintenance support to the Real Estate Projects completed by NBCC and delivered to its customers.

## BUSINESS OPERATIONS:

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

### 1. Post Construction Maintenance

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

### 2. Renovation & Furnishing Works – All types of renovation, re-furbishing of old buildings and also interiors & furnishing of new buildings.

### 3. CSR Works of the parent company at various locations as per requirement

## MAIN OBJECTIVES

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

From time to time NSL solicits business from Ministries, Govt./Semi Govt. Departments, PSUs, Autonomous Bodies and currently Central/State Govt. Agencies avail its expertise for their maintenance works, CSR linked activities.

NSL has actively participated in the construction of Bio-digester toilets in school premises under Swatchh Vidyalaya Abhiyan. On 2nd October 2015, Inauguration Ceremony of Bio-digester Toilet Complex was organized at Bhikaji Cama Place, New Delhi by Union Cabinet Secretary, Shri P K Sinha. On 6th April, 2016 inauguration ceremony of Namma Toilets was organized at Preet Vihar, Delhi where Hon'ble Minister of Urban Development presided over the function. Besides Preet Vihar, simultaneous inauguration ceremony of Namma Toilets was held at 20 different locations all over Delhi presided by various dignitaries.



## VISION

To be one of the best post construction business company known for its state of art quality customer satisfaction and prompt responsiveness.

## MISSION

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

## FINANCIAL PERFORMANCE

Strengthened by operational performance and remarkable growth, NBCC Services has posted a impressive Corporate Results during financial year 2015-16. The total income from operations is Rs. 8055.38 lacs with Net Profit of Rs. 576.71 lacs.

## STRENGTH

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

## HUMAN RESOURCES

NSL adopts H R Policies of NBCC being the holding company.

## CAUTIONARY STATEMENT

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

# CORPORATE GOVERNANCE REPORT

## THE COMPANY’S GOVERNANCE PHILOSOPHY

The Board and Management of NSL believe that operating to the highest level of transparency and integrity in everything we do is integral to the culture of our Company. The Company has a visionary culture of ensuring that all our activities are for the mutual benefit of the Company and all our stakeholders, our customers, our regulators, our employees, and the communities in India of which we are an integral part and are privileged to serve. The Board and management of Company are committed to the highest standards of accountability, transparency, social responsiveness, operational efficiency and good ethics.

## BOARD OF DIRECTORS

### Size of the Board

“NBCC Services Limited” (NSL), being the wholly owned subsidiary Company of National Buildings Construction Corporation Limited is a Government Company within the meaning of Section 394 of the Companies Act, 2013. Board of NSL consists of three (3) Directors.

### Composition of the Board

The Board comprise of Shri S K Chaudhary, Shri Hem Raj and Smt BK Sokhey as Directors of the Company. Shri S K Chaudhary is the Chairman of NSL. Smt A Sabeena is the CEO and Shri Ravi Kumar Jain is the CFO of the Company.

The Company is managed by its Board of Directors, which formulates strategies, policies and reviews its performance periodically. Board of Directors oversees how the management serves and protects the long term interest of the stakeholders.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 Committees across all the Companies in which he is Director (as specified in DPE Guidelines). The necessary disclosures regarding other directorships and committees positions have been made by the Directors.

### Number of Board Meetings

During the year 2015-16, 05 (five) Board meetings were held, details of which are given below:

S No.	Date of Meeting	Board Strength (No.)	Directors Present (No.)
1.	16th May, 2015	3	3
2.	30th July, 2015	3	3
3.	12th August, 2015	3	3
4.	06th November, 2015	3	3
5.	04th February, 2016	3	3



Memberships of the Directors on other Boards/Committees are given hereunder:

Name of Director	Board Meetings held during his/her duration (No)	Board Meetings attended ( No)	Attendance at the last AGM*	No. of other Directorships	Chairmanships of other Committees*
Shri S K Chaudhary	5	5	Present	2	2
Smt BK Sokhey	5	5	Present	NIL	NIL
Shri Hem Raj	5	5	Present	NIL	NIL

\* Only membership in Audit Committee and Stakeholders' Relationship Committee of other Listed Public Companies are taken into account.

### Board Meetings and Attendance

Board Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors in time. The members of the Board have complete access to all information of the Company. CEO is a special invitee to all Board meetings and other senior management personnel are also invited to the Board meetings on need basis to provide additional inputs on the items being discussed by the Board.

Information placed before the Board of Directors

- The Board has complete access to any information with the Company. The information regularly supplied to the Board includes:
- Annual operating plans and budgets and any updates.
- Annual Accounts, Directors' Report, etc.
- Quarterly results of the Company.
- Disclosure of Interest by directors about directorship and committee positions occupied by them in other Companies.
- Compliance of regulatory or statutory provisions
- Other materially important information.

### Certificate on Corporate Governance

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

### AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE

Provisions of Companies Act, 2013 with respect to Audit Committee and Nomination & Remuneration Committee are not applicable on the Company. However, according to DPE Guidelines issued by the Ministry of Heavy Industries and Public Enterprises, Company is required to constitute the said Committees. The Company being the newly incorporated, the formation of the committees will be done in due course.

### CODE OF CONDUCT

The Board of Directors of NBCC, the Holding Company has laid down Code of Business Conduct and Ethics for Board Members and Senior Management. The Senior Management of NSL is on secondment basis from holding company, i.e. NBCC. Hence, Code of Conduct applicable to NBCC is being followed.

## GENERAL BODY MEETING

The second (2nd) Annual General Meeting (AGM) of the Company will be held on September 07th, 2016 (Wednesday) at 11.00 am at the 1st Floor, Conference room , NBCC Bhawan, Lodhi Road, New Delhi-110003.

### Means of Communication

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

### Listing on Stock Exchange

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

### Shareholding Pattern

Name of Shareholder	31.03.2016
NBCC Ltd. Through its Nominee Sunil Kumar Chaudhary	19,99,400
Baldev Kaur Sokhey	100*
Hem Raj	100*
Neelesh Manherlal Shah	100*
Rakesh Gupta	100*
Nirmal Prakash Aggarwal	100*
Ram Lal Mehra	100*

\* Holding shares on behalf of NBCC

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

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

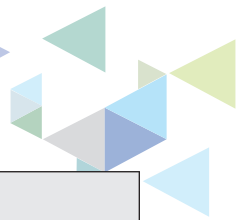
### Address for correspondence

NBCC Services Limited  
Shop No. 25/2,  
Basement, NBCC Place,  
Bhishma Pitamah Marg, Pragati Vihar,  
New Delhi - 110003

## DISCLOSURES

- Details of related party transactions are included in the Notes to the Accounts.
- NSL does not have any Subsidiary Company.
- The Chairman of the Company is non Executive Director. No person has been appointed as Independent Director.
- NSL comprises the employees of NBCC who have been deputed on secondment basis by NBCC
- Training policy for Directors as applicable to NBCC being followed by NSL.
- Being a wholly owned subsidiary of NBCC the Policies, Guidelines, etc. of NBCC are applicable to NSL till their own policies are formulated and adopted.





## Chief Executive Officer Declaration

I, A Sabeena, CEO of NBCC Services Limited, do hereby declare that all the Board members and senior management personnel have affirmed compliance with the code of conduct of the Company for the financial year ended 31st March, 2016.

Place: New Delhi  
Date: May 12, 2016

Sd/-  
**A Sabeena**  
Chief Executive Officer



— NBCC PLAZA, Pushp Vihar

## CEO/CFO CERTIFICATION

To  
Board of Directors  
NBCC Services Limited

We, A Sabeena, Chief Executive Officer and Ravi Kumar Jain, Chief Financial Officer do hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2016 on that date and that to the best of our knowledge and belief:
  - i. the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. the said statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d. We have indicated to the auditors and the audit committee:-
  - i. That there are no significant changes in internal control over financial reporting during the financial year 2015-16
  - ii. The significant changes in accounting policies during the financial year 2015-16 have been disclosed in the notes to the financial statement.
  - iii. That there are no instances of significant fraud of which we have become aware.

Sd/-  
**A Sabeena**  
Chief Executive Officer

Sd/-  
**Ravi Kumar Jain**  
Chief Financial Officer

Place: New Delhi  
Date: May 12, 2016



# AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
NBCC Services Limited  
New Delhi

We have examined the compliances of conditions of Corporate Governance by NBCC Services Limited ("the Company") for the financial year ended 31st March, 2016 as stipulated 8.2.1 of guidelines issues by Department of Public Enterprise (DPE) and Ministry of Heavy Industries and Public Enterprises, Government of India.

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

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

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

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

Sd/-  
**(P C Jain)**  
Partner  
CP- 3349  
FCS-4103

Place: Faridabad  
Date: May 12, 2016

## MANAGEMENT'S REPLY TO AUDITORS' REPORT ON CORPORATE GOVERNANCE (FY 2015-16)

S.No.	AUDITORS' COMMENTS	MANAGEMENTS' REPLY
1.	The company is yet to constitute an Audit & Remuneration Committee of the board as required in DPE guidelines.	Noted
2.	The Company is yet to appoint Independent Directors on the Board as required in DPE Guidelines.	Noted
3.	Being a wholly owned subsidiary of NBCC Ltd., the policies, guidelines, etc of NBCC are being followed by NSL till their own policies are formulated and adopted.	Noted

Place: New Delhi  
Date: May 12, 2016

Sd/-  
A Sabeena  
Chief Executive Officer

Annexure – IV

## AOC-2

### Particulars of contracts / arrangements made with related party

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

Details of contracts / arrangements not at arms length basis

Name of Related Party and Nature of Contract	Relationship	Duration of Contract	Salient Features	Amount(Rs in Lacs)
NBCC (India) Limited	Holding Company	As per Board approval	Services charges	360.21
Work & Consultancy Charges				

Place: New Delhi  
Date: May 12, 2016

Sd/-  
**A Sabeena**  
Chief Executive Officer



# FORM NO MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1)  
of the Company (Management & Administration ) Rules, 2014.

## I. REGISTRATION & OTHER DETAILS

i	CIN	U74900DL2014GOI272532
ii	Registration Date	16.10.2014
iii	Name of the Company	NBCC Services Limited
iv	Category/Sub-category of the Company	Government Company (Limited By shares)
v	"Address of the Registered office & contact details"	Shop No. 25/2, Basement, NBCC Place, Bhisma Pitamah Marg, Pragati Vihar, New Delhi - 110003
vi	Whether listed company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	"NIC Code of the Product /service"	"% to total turnover of the company"
1	Real Estate Services(Project Management & Supervision Services)	9972	100

## III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	NBCC (India) Limited Formerly National Buildings Construction Corporation Limited, NBCC Bhawan, Lodhi Road	L74899DL1960GOI003335	Holding	100	2(46)

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)				No. of Shares held at the end of the year (31-03-2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF*	0	600	600	0.00	0	600	600	0.00	0
"b) Central Govt. or State Govt."	0	0	0	0	0	0	0	0.00	0
c) Bodies Corporates		1999400	1999400	100.00	0	1999400	1999400	100.00	0
d) Bank/FI	0	0	0	-	0	0	0	0.00	0
e) Any other	0	0	0	-	0	0	0	0.00	0
<b>SUB TOTAL:(A) (1)</b>	0	2000000	2000000	100.00	0	2000000	2000000	100.00	0
<b>(2) Foreign</b>									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
<b>SUB TOTAL (A) (2)</b>									
<b>"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"</b>	0	2000000	2000000	100.00	0	2000000	2000000	100.00	0.00

NIL



Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2015)			No. of Shares held at the end of the year (31-03-2016)			% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total
i) Individual shareholders holding nominal share capital upto Rs.1 lakh*								
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh								
c) Others (specify)								
NRI's								
Clearing Members								
Foreign National								
Foreign Bank								
Unclaimed Suspense A/c								
Trust Holders								
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0
"Total Public Shareholding (B)=(1)+(B)(2)"	0	0	0	0	0	0	0	0
"C. Shares held by Custodian for GDRs & ADRs"								
Grand Total (A+B+C)	0	2000000	2000000	100.00	0	2000000	2000000	100.00

\*holding shares on behalf of NBCC (India) Limited formerly National Buildings Construction Corporation Limited





**(ii) SHARE HOLDING OF PROMOTERS**

SI No	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in share holding during the year
		No of shares	% of total shares of the company	No of shares	% of total shares of the company	
1	NBCC (India) Limited formerly National Buildings Construction Corporation Limited (NBCC)	1,999,400	99.94	1,999,400	99.94	NIL
2	BALDEV KAUR SOKHEY (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
3	HEMRAJ (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
4	NEELES MANHERLAL SHAH (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
5	RAKESH GUPTA (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
6	NIRMAL PRAKASH AGGARWAL (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
7	RAM LAL MEHRA (for and on behalf of NBCC)	100*	0.01	100	0.01	NIL
	<b>TOTAL</b>	<b>2,000,000</b>	<b>100</b>	<b>2,000,000</b>	<b>100</b>	<b>NIL</b>

\*holding shares on behalf of NBCC (India) Limited formerly National Buildings Construction Corporation Limited

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

SI No	NBCC (India) Limited formerly National Buildings Construction Corporation Limited	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	No Change			
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / or decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
	At the end of the year				

**(iv) Shareholding Pattern of top ten Promoters (other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year 01.04.2016	2000000	100	2000000	100.00
2	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	No change			
3	At the end of the year	2000000	100	2000000	100

**(v) Shareholding of Directors**

SI No	Shareholders Name	Shareholding at the beginning of the year 01/04/2014		Shareholding at the end of the year 31/03/2015		Change in Shareholding During the Year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	NBCC (India) Limited Formerly NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED	1999400	99.97	1999400	99.97	0	0
2	HEM RAJ*	100	0.01	100	0.01	0	0
3	BALDEV KAUR SOKHEY*	100	0.01	100	0.01	0	0

\*holding on behalf of NBCC

**V. Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtednes
<b>Indebtness at the beginning of the financial year</b>	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
Additions				



	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtednes
Reduction	NIL			
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

SI No	Particulars of Remuneration	Name of the MD /WTD /Manager
1	<b>Gross salary</b>	Company Does not have any MD/ WTD/Manager
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	
2	Stock option	
3	Sweat Equity	
4	Commission	
	as % of profit	
	others (specify)	
5	Others, please specify	
	<b>Total (A)</b>	

### B. Remuneration to other directors:

SI No	Particulars of Remuneration	Name of the Directors
1	<b>(a) Fee for attending board committee meetings</b>	No remuneration is paid to any director
	(b) Commission	
	(c ) Others, please specify	
	<b>Total (1)</b>	
2	Other Non Executive Directors	
	"(a) Fee for attending board committee meetings"	
	(b) Commission	
	(c ) Others, please specify.	
	<b>Total (2)</b>	
	<b>Total (B)=(1+2)</b>	
	<b>Total Managerial Remuneration</b>	
	<b>Overall Ceiling as per the Act.</b>	

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/Wtd**

(in Rs)

SI No	Particulars of Remuneration	CEO	CFO	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	2685452.00	1333223	4018675
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify			
5	Others, please specify	657789.00	394269	1052058
	PF Contribution			
	<b>Total</b>	<b>3,343,241</b>	<b>1727492</b>	<b>5070733</b>

**(vii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			Nil		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



## C&AG COMMENTS

### COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NBCC SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2016

The preparation of financial statements of NBCC Services Limited for the year ended 31 March 2016 in accordance with financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management or the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 12 May 2016.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of NBCC Services Limited for the year ended 31 March 2016. This supplementary and it has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

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

**Sd/-**

**(Neelesh Kumar Sah)**

**Principal Director of Commercial Audit  
& ex-officio Member, Audit Board-I, New Delhi.**

**Place: New Delhi  
Dated: 13 July 2016**

# INDEPENDENT AUDITOR'S REPORT

## To the Members of NBCC SERVICES LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of NBCC SERVICES LIMITED ("the Company"), which comprise the Balance sheet as at 31st March 2016, the Statement of Profit and loss and, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

### Management's Responsibility for the Financial Statements

The Company's Board of Director is responsible for the preparation of these financial statements in terms of the requirements of the 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Directors as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles general accepted in India:

- (a) in the case of the Balance Sheet of the state of affairs of the company as at 31st March 2016;
- (b) in the case of the Statement of Profit and loss of the profit for the year ended on that date and;
- (c) in the case of the Cash Flow Statement of the cash flows for the year ended on that date.



## Report on Other legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. We enclose our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub directions issued by the Comptroller and Auditor General of India.
11. 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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet\*, the Statement of Profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, the Statement of Profit and loss and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provision of section 164 (2) of the Companies Act, 2013 are not applicable to the company.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C"
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The company does not have any pending litigations as at March 31, 2016 which would impact its financial position;
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company during the year ended March 31, 2016.

Place: New Delhi  
Date : 12 MAY 2016

For **Aiyar & Co.**  
Chartered Accountants  
FRN:001174N  
Sd/-  
(C.Chuttani)  
**Partner**  
M.No.90723

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification
- (c) According to the information and explanations given to US and on the basis of our examination of the records, the company does not have any immovable properties and as such provisions of para 3 (i) (c) of the order regarding title deeds of properties is not attracted to the Company.
- (ii) As explained to us there were no inventories 'at any time during the year and as such provisions of para 3 (ii) of the order regarding inventory verification is not attracted to the company.
- (iii) The company has not granted any loans,secured or unsecured to companies,firms, LLP or other parties covered in the register maintained under section 189 of the Act, and as such the provisions of para 3 (iii) (a),3 (iii)(b) & 3 (iii)(c) of the order regarding granting of loans are not attracted to the company.
- (iv) In our opinion and according to the information and explanations given to us,the provisions of section 185 and 186 of the Act,with respect to the loans,investment, guarantees and security made are not attracted to the company.
- (v) The company has not accepted any deposits from the public.
- (vi) The provision relating to maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Act are not attracted to the company.
- (vii) (a) The employees of the Company are on secondment basis from its holding Company i.e. NBCC limited. As explained to us, the holding company is regular in depositing undisputed statutory dues including provident fund with appropriate authority. According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there was delay in depositing of undisputed statutory dues including Income-tax, Sales Tax (WCT), Service tax, Labour welfare cess etc. with the appropriate authorities. As explained to us,the Company did not have any dues on account of employees' state insurance and duty of excise.  
  
According to the information and explanations given to us,no undisputed amounts payable in respect of Provident Fund,Income tax, Sales tax (WCT), Value added tax, Service tax, Cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, that there were no dues of Income tax, Sales tax,Service tax and Value added tax have not been deposited by the Company on account of disputes.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) 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;Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The company is a Government Company and as such in pursuant to the Notification No. G.S.R. 463(E) dated 05th June 2015 issued by the Ministry of Corporate Affairs, Government of India,the provision of section 197 of the Act is not applicable to the company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records





of the Company, the provision of section 177 is not applicable to the company and transactions with the related parties are in compliance with section 188 of the Act where applicable. The details of related parties transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible, debentures during the year.
- (xv) 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 non cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: New Delhi  
Date : 12 MAY 2016

For **Aiyar & Co.**  
Chartered Accountants  
FRN:001174N  
Sd/-  
(C.Chuttani)  
**Partner**  
M.No.90723

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Directions and sub directions indicating the areas to be examined by the Statutory Auditors during the course of audit of Annual Accounts of the **NBCC SERVICES LIMITED** for the year 2015-16 issued by the Comptroller & Auditor General of India under section 143 (5) of the Companies Act, 2013.

SI No	Directions/Sub Directions	Action Taken	Impact on Financial Statement
<b>A</b>	<b>Directions</b>		
1.	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available?	As per the information and explanations given to us there is no freehold or leasehold land held by the company. Therefore, this clause is not applicable on the Company.	Not Applicable
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	There are no cases of waiver/write off of debts/loans/interest etc., during the year.	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Government or other authorities.	As per information and explanation given to us there is no inventory lying with third parties and no assets received as gift/grant from Government or other authorities.	NIL
<b>B.</b>	Sub Directions: <b>NIL</b>		

Place: New Delhi  
Date : 12 MAY 2016

For **Aiyar & Co.**  
Chartered Accountants  
FRN:001174N  
Sd/-  
(C.Chuttani)  
**Partner**  
M.No.90723



## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of NBCC Services Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date:

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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.

Place: New Delhi  
Date : 12 MAY 2016

For **Aiyar & Co.**  
Chartered Accountants  
FRN:001174N  
Sd/-  
(C.Chuttani)  
**Partner**  
M.No.90723

# FINANCIAL STATEMENT

# BALANCE SHEET AS AT MARCH 31, 2016

SI No	Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholders' funds</b>			
	(a) Share Capital	1	20,000,000.00	20,000,000
	(b) Reserves and Surplus	2	56,044,923.80	(1,625,995)
	<b>Current liabilities</b>			
	(a) Trade Payables	3	111,196,629.00	3,745,152
	(b) Other Current Liabilities	4	111,100,164.00	18,237,729
	(c) Short-term Provisions	5	633,222.56	-
	<b>TOTAL</b>		<b>298,974,939.36</b>	<b>40,356,886</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-Current Assets</b>			
	(a) Fixed Assets Tangible Assets	6	214,761.00	-
	<b>Current Assets</b>			
	(a) Trade Receivables	7	159,011,958.61	-
	(b) Cash and Bank Balances	8	136,603,893.43	40,167,476
	(c) Short-Term Loans and Advances	9	543,343.00	41,278
	(d) Other Current Assets	10	2,600,983.32	148,132
	<b>TOTAL</b>		<b>298,974,939.36</b>	<b>40,356,886</b>

Significant Accounting Policies & Notes on Financial Statements 1 to 27

**For and on behalf of the Board of Directors**

Sd/-  
**(HEM RAJ)**  
Director  
(DIN: 06955662)

Sd/-  
**(B.K. SOKHEY)**  
Director  
(DIN: 06955670)

Sd/-  
**(S. K. CHAUDHARY)**  
Chairman  
(DIN: 00515612)

Sd/-  
**(A SABEENA)**  
CEO

Sd/-  
**(RAVI KUMAR JAIN)**  
CFO

As per our Report of even date attached  
For **AIYAR & CO.**  
Chartered Accountants  
(FRN:001174N)

Sd/-  
**(C.CHUTTANI)**  
Partner  
Membership No.090723

Place: New Delhi  
Date: May 12, 2016



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2016

SI No	Particulars	Note No.	For the year ended on March 31, 2016	For the period ended on March 31, 2016
I.	Revenue From Operations Value of Services	11	805,537,700.00	4,758,547
II.	Other Income	12	10,712,655.39	412,778
III.	Total Revenue (I + II)		816,250,355.39	5,171,325
IV.	Expenses:			
	Work & Consultancy Expenses	13	691,607,723.54	4,406,062
	Employee Benefits Expense	14	35,294,463.00	1,086,859
	Depreciation	6	14,839.00	-
	Other Expenses	15	3,662,410.85	1,304,399
	Total Expenses		730,579,436.39	6,797,320
V.	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		85,670,919.00	(1,625,995)
VI.	Exceptional Items			
VII.	Profit before Extraordinary Items and Tax (V - VI)		85,670,919.00	(1,625,995)
VIII.	Extraordinary Items			
IX.	Profit Before Tax (VII -VIII)		85,670,919.00	(1,625,995)
X.	Tax Expense:			
	(1) Current Tax		28,000,000.00	-
	(2) Deferred Tax		-	-
XI.	Profit for the Year (IX-X)		57,670,919.00	(1,625,995)
XII.	Earnings per Share (Face value of Rs.10/- per Equity Share)			
	(1) Basic (in Rupees)	16	28.84	(0.81)
	(2) Diluted (in Rupees)		28.84	(0.81)

Significant Accounting Policies & Notes on Financial Statements 1 to 27

**For and on behalf of the Board of Directors**

Sd/-  
**(HEM RAJ)**  
Director  
(DIN: 06955662)

Sd/-  
**(B.K. SOKHEY)**  
Director  
(DIN: 06955670)

Sd/-  
**(S. K. CHAUDHARY)**  
Chairman  
(DIN: 00515612)

Sd/-  
**(A SABEENA)**  
CEO

Sd/-  
**(RAVI KUMAR JAIN)**  
CFO

As per our Report of even date attached  
For **AIYAR & CO.**  
Chartered Accountants  
(FRN:001174N)

Sd/-  
**(C.CHUTTANI)**  
Partner  
Membership No.090723

Place: New Delhi  
Date: May 12, 2016

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED ON MARCH 31, 2016

	Particulars	For the year ended on March 31, 2016	For the period ended on March 31, 2016
<b>A.</b>	<b>Cash flows from operating activities</b>		
	<b>Net profit before tax and extraordinary items</b>	<b>85,670,919.00</b>	<b>(1,625,995)</b>
	Adjustment for:		
	Depreciation	14,839.00	-
	Interest Received	(6,345,232.39)	(412,778)
	<b>Operating Profit before Working Capital Changes</b>	<b>79,340,525.61</b>	<b>(2,038,773)</b>
	Adjustment for:		
	Decrease/(Increase) in Trade Receivables	(159,011,958.61)	-
	Decrease/(Increase) in Short-term Loans and Advances	(502,065.00)	-
	(Decrease)/Increase in Trade Payables	107,451,477.00	3,745,152
	(Decrease)/Increase in Other Current Liabilities	92,862,435.00	18,237,729
	<b>Cash generated from Operations before Extra Ordinary Items</b>	<b>120,140,414.00</b>	<b>19,944,108</b>
	Direct Taxes Paid	(27,366,777.44)	(41,278)
	<b>Net Cash from Operating Activities (A)</b>	<b>92,773,656.56</b>	<b>19,902,830</b>
<b>B.</b>	<b>Cash Flows from Investing Activities:</b>		
	Purchase of Fixed Assets	(229,600.00)	-
	Fixed deposits placed with Banks having original maturity of more than 3 months	(105,000,000.00)	(20,000,000)
	Interest Received	3,892,381.07	264,646.00
	<b>Net Cash from Investing Activities: (B)</b>	<b>(101,337,218.93)</b>	<b>(19,735,354)</b>
<b>C.</b>	<b>Cash Flows from Financing Activities:</b>		
	Equity Share Capital	-	20,000,000
	<b>Net Cash from Financing Activities (C)</b>	<b>-</b>	<b>20,000,000</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalent (A)+(B)+(C)</b>	<b>(8,563,582.37)</b>	<b>20,167,476</b>
	<b>Cash and Cash Equivalents - Opening</b>	<b>20,167,475.80</b>	<b>-</b>
	<b>Cash and Cash Equivalents - Closing</b>	<b>11,603,893.43</b>	<b>20,167,476</b>
	i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements'.		





	Particulars	For the year ended on March 31, 2016	For the period ended on March 31, 2016
	ii) Cash and Cash Equivalents Includes:		
	a) Cash and Balances with Banks	11,603,893.43	20,167,476
		<b>11,603,893.43</b>	<b>20,167,476</b>

iii) Previous year figures have been regrouped and/or reclassified wherever necessary to confirm to those of the current year grouping and/or classification. Previous year figures have been rounded off to the nearest rupee.

iv) Figures in brackets indicate cash outgo.

**For and on behalf of the Board of Directors**

Sd/-  
**(HEM RAJ)**  
Director  
(DIN: 06955662)

Sd/-  
**(B.K. SOKHEY)**  
Director  
(DIN: 06955670)

Sd/-  
**(S. K. CHAUDHARY)**  
Chairman  
(DIN: 00515612)

Sd/-  
**(A SABEENA)**  
CEO

Sd/-  
**(RAVI KUMAR JAIN)**  
CFO

As per our Report of even date attached  
For **AIYAR & CO.**  
Chartered Accountants  
(FRN:001174N)

Sd/-  
**(C.CHUTTANI)**  
Partner  
Membership No.090723

Place: New Delhi  
Date: May 12, 2016

# NOTES TO FINANCIAL STATEMENTS

## Notes 1

(Amount in Rs.)

Share Capital	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
<b>Authorised:</b> Equity Shares of Rs.10/- each (Previous Year Rs.10/- each)	5,000,000.00	5,000,000.00	5,000,000	50,000,000
<b>Issued ,Subscribed &amp; Paid up</b> Fully paid up Equity Shares of Rs.10/- each (Previous Year Fully Paid Equity Shares of Rs.10/- each)	2,000,000.00	2,000,000.00	2,000,000	20,000,000
<b>Total</b>	<b>2,000,000</b>	<b>20,000,000</b>	<b>2,000,000</b>	<b>20,000,000</b>

## Notes 1A

(Amount in Rs.)

Share Capital	As at March 31, 2016		As at March 31, 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,000,000.00	20,000,000.00	-	-
Addition during the year	-	-	2,000,000	20,000,000
Shares outstanding at the end of the year	2,000,000	20,000,000	2,000,000	20,000,000

## Notes 1B

The Company has only one class of equity shares and the shareholders of the company are entitled to receive dividends as and when declared by the company and enjoy proportionate voting rights in case any resolution is put to vote.

## Notes 1C

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

(Amount in Rs.)

Name	As at March 31, 2016		As at March 31, 2015	
	No. of Share	Percentage	No. of Share	Percentage
All Shares are held by Holding Co. i.e National Buildings Construction Corporation Limited and its nominees	2,000,000.00	100%	2,000,000.00	100%

## Notes 2

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

(Amount in Rs.)

Reserves & Surplus	As at March 31, 2016	As at March 31, 2015
As per Last Balance sheet (+)	-	-
Current Year Transfer	-	-
<b>Reserves &amp; Surplus</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>



Closing Balance	(a)	-	-
<b>b. Statement of Profit &amp; Loss</b>			
As per Last Balance sheet		(1,625,995.20)	-
(+) Net Profit/(Loss) For the year		57,670,919.00	(1,625,995)
Closing Balance	(b)	56,044,923.80	(1,625,995)
<b>Total</b>	<b>(a+b)</b>	<b>56,044,923.80</b>	<b>(1,625,995)</b>

### Notes 3

(Amount in Rs.)

Trade Payables	As at March 31, 2016	As at March 31, 2015
Due to Micro, Small and Medium Enterprises	-	-
Due to others	-	-
- Sundry Creditors for Works & Services	111,196,629.00	3,745,152
<b>Total</b>	<b>111,196,629.00</b>	<b>3,745,152</b>

### Notes 3A

In the terms of Section 22 of The Micro, Small and Medium Enterprises Development Act 2006, the outstanding to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In absence of information about registration of the enterprises under the above Act, the required information couldn't be furnished.

### Notes 4

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

(Amount in Rs.)

Other Current Liabilities	As at March 31, 2016	As at March 31, 2015
a) Statutory Dues payable	14,959,066.00	277,751
b) Earnest Money & Retention Money	48,641,969.00	470,982
c) Advance for services from Holding Co. (Refer Note20)	-	15,251,453
d) Advance from Clients	41,961,578.00	-
e) Expenses Payable	1,446,105.00	51,180
f) Payable to Holding Company (Refer Note 20)	4,091,446.00	2,186,363
<b>Total</b>	<b>111,100,164.00</b>	<b>18,237,729</b>

### Notes 5

(Amount in Rs.)

Short Term Loans and Advances	As at March 31, 2016		As at March 31, 2015	
a. Provision For Taxation	28,000,000.00	-	-	-
Less: Advance Tax/Tax Deducted at Source (Refer Note 9)	27,366,777.44	633,222.56	-	-
<b>Total</b>		<b>633,222.56</b>		

**Notes 6**

(Amount in Rs.)

FIXED ASSETS	GROSS BLOCK ( AT COST)				ACCUMULATED DEPRECIATION				Net Block	
	As at March 31, 2015	Additions	Disposals	As at March 31, 2016	As at March 31, 2015	De-precia-tion-Charge for the year	On dis-posals	As at March 31, 2016	Bal-ance as at March 31, 2016	Balance as at March 31, 2016
Tangible Assets										
i) Furniture and Fixtures	-	229600	-	229600	-	14839	-	14839	214761	-
<b>Total</b>	-	<b>229600</b>	-	<b>229600</b>	-	<b>14839</b>	-	<b>14839</b>	<b>214761</b>	-
	-	-	-	-	-	-	-	-	-	-

**Notes 7**

(Amount in Rs.)

Trade Receivables	As at March 31, 2016		As at March 31, 2015	
Secured				
Unsecured:				
"Outstanding for a period exceeding six months from the date they were due for payment:"				
- Considered good	-		-	-
- Considered doubtful	-	-	-	-
Other Trade receivables:				
- Considered good				
Due from Holding Co (Refer Note 20)	151,481,254.61			
Due from Others	7,530,704.00			
- Considered doubtful		159,011,958.61		
Less: Provision for doubtful debts				
<b>Total</b>		<b>159,011,958.61</b>		

**Notes 8**

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

(Amount in Rs.)

Cash and Bank Balances	As at March 31, 2016	As at March 31, 2015
<b>Cash and Cash Equivalents</b>		
a. Balances with Banks including Flexi Account	11,603,893.43	20,167,476
b. Cash on hand	-	-
<b>Cash and Bank Balances</b>	<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>



Cash and Cash Equivalents		
a. Bank deposits more than 3 months and upto 12 months Maturity	125,000,000.00	20,000,000
<b>Total</b>	<b>136,603,893.43</b>	<b>40,167,476</b>

## Notes 9

(Amount in Rs.)

Short Term Loans and Advances	As at March 31, 2016		As at March 31, 2015	
a. Advance Tax/Tax Deducted at Source	27,366,777.44		41,278	
Less: Transfer to Note 5 short-term provisions (Refer Note 5)	(27,366,777.44)	-	-	41,278
b. Advances to PRWs, Suppliers, Staff & Others				
Secured Considered Good				
Unsecured Considered Good	378,343.00			
Doubtful				
Less: Provision		378,343.00		
c. Security Deposit to Holding Co		165,000.00		
<b>Total</b>		<b>543,343.00</b>		<b>41,278</b>

## Notes 10

(Amount in Rs.)

Other Current Assets	As at March 31, 2016	As at March 31, 2015
Interest Accrued on Fixed Deposits	2,600,983.32	148,132
<b>Total</b>	<b>2,600,983.32</b>	<b>148,132</b>

## Notes 11

(Amount in Rs.)

Income from Operations	For the year ended on March 31, 2016	For the year ended on March 31, 2015
<b>Value of Services</b>		
Value of Work Done (Project Management & Supervision Services)	805,537,700.00	4,758,547
<b>Total</b>	<b>805,537,700.00</b>	<b>4,758,547</b>

## Notes 12

(Amount in Rs.)

Other Income	For the year ended on March 31, 2016		For the year ended on March 31, 2015	
Interest Income				
From Bank	6,343,170.39	-	412,778	
On Income Tax Refund	2,062.00	6,345,232.39	-	412,778
Tender Fee & Other Receipts		4,367,423.00		
<b>Total</b>		<b>10,712,655.39</b>		<b>412,778</b>

**Notes 13**

(Amount in Rs.)

<b>Work and Consultancy Expenses</b>	<b>For the year ended on March 31, 2016</b>	<b>For the year ended on March 31, 2015</b>
Work Contract with Material	689,387,006.54	4,406,062
Consultancy Expenses	2,220,717.00	-
<b>Total</b>	<b>691,607,723.54</b>	<b>4,406,062</b>

**Notes 14**

(Amount in Rs.)

<b>Employee Benefit Expenses</b>	<b>For the year ended on March 31, 2016</b>	<b>For the year ended on March 31, 2015</b>
Salaries and incentives	27,751,163.00	1,000,078
Contributions for Provident & Pension fund	3,398,608.00	86,781
Other Employees Benefits(Refer Note 14A)	4,091,446.00	-
Staff welfare expenses	53,246.00	-
<b>Total</b>	<b>35,294,463.00</b>	<b>1,086,859</b>

**Notes 14A**

In accordance with Significant Accounting Policy No. 6 of Note 27, an amount of Rs. 11,51,184/- towards Post retirement Benefits, Rs.8,94,539/- towards Gratuity Fund & Rs.20,45,723/- towards Leave encashment are paid/ payable to the Holding Company.

**Notes 15**

(Amount in Rs.)

<b>Other Expenses</b>	<b>For the year ended on March 31, 2016</b>	<b>For the year ended on March 31, 2015</b>
Rent	675,066.00	566,294
Travelling & Conveyance	449,373.00	-
Business Promotion & Entertainment	35,741.00	-
Auditor's Remuneration	80,000.00	56,180
Legal & Professional Charges	404,173.00	41,407
Postage, Telegram, Telephone & Telex	94,422.00	-
Printing & Stationery	111,931.00	-
Advertisement	1,483,243.00	-
Bank charges	6,404.85	728
Repairs & Maintenance-Others	297,189.00	-
Miscellaneous. Expenses	24,868.00	-
Preliminary Expenses written Off	-	639,790
<b>Total</b>	<b>3,662,410.85</b>	<b>1,304,399</b>



## Notes 15A

(Amount in Rs.)

Payment to Auditor as	For the year ended on March 31, 2016	For the year ended on March 31, 2015
a) Audit fee	60,000.00	56,180
b) For Taxation Matters	20,000.00	-
<b>Total</b>	<b>80,000.00</b>	<b>56,180</b>

## Notes 16

Earnings per share (EPS) computed in accordance with Accounting Standard - 20 "Earning per Share"

(Amount in Rs.)

Basic & Diluted	2015-16	2014-15
Profit after Tax as per Statement of P&L (A)	57,670,919.00	(1,625,995)
No of Equity Shares Issued (B)	2,000,000.00	2,000,000
Basic and Diluted EPS (Rupees) (A/B)	28.84	(0.81)
Face Value per Equity Share (Rupees)	10.00	10

## Notes 17

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

## Notes 18

No provision has been made in respect of liabilities for performance related pay (PRP) in the financial statement of the company in regard to employees posted on secondment basis from the holding company. The provisions for the same are accounted for by the holding company and charged to the company on payment basis.

## Notes 19

The Company's significant leasing arrangement are in respect of operating leases relating to its leased office premises. The aggregate lease rentals paid is disclosed under rent in Note No. 15.

## Notes 20

As per Accounting Standard -18, the list of the related parties during the year is given below:

- (a) Holding Company
  - NBCC Limited
- (b) Key Managerial Personnel:
  - (a) Mr. S.K Chaudhary, Director
  - (b) Mr. Hem raj, Director
  - (c) Ms. B.K Sokhey, Director
  - (d) Mr. K. K. Kapoor, CEO
  - (e) Mr. Harish Chander, CFO (upto 04.02.2016)
  - (f) Mr. Ravi Kumar Jain, CFO (with effect from 04.02.2016)

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

(a) NBCC Limited- Holding Company (Amount in Rs.)

Particulars	2015-16	2014-15
Nature of Transaction		
Opening Balance	(17,437,816.00)	-
(i) Advance receive for services	-	(20,000,000)
Advance received for opening Bank A/c	-	(10,000)
Less: service rendered	714,782,812.00	4,758,547
Add: Rent Paid	(675,066.00)	-
Add: Amount Received/Adjusted(Net)	(545,188,676.00)	-
Receivable/(payable) at the end of the year	<b>151,481,254.00</b>	<b>(15,251,453)</b>
(Refer Note 7)		
(ii) Employee benefit and other payable	<b>(4,091,446.00)</b>	<b>(1,670,469)</b>
(iii) Other Payable	-	<b>(515,894)</b>
Receivable/(payable) at the end of the year	<b>(4,091,446.00)</b>	<b>(2,186,363)</b>
(Refer Note 4)		
<b>Net Receivable/(Payable)</b>	<b>147,389,808.00</b>	<b>(17,437,816)</b>
Security Deposit (Refer to Note 9)	165,000.00	-
<b>Total</b>	<b>165,000.00</b>	<b>-</b>

(b) Salary and other short-term benefits paid to CEO & CFO during the year (Amount in Rs.)

Particulars	2015-16	2014-15
(a) Mr. K.K. Kapoor, CEO		
Salaries and incentives	2,685,452.00	509,145
Contributions for Provident & Pension fund	304,829.00	44,116
Other Employees Benefits	352,960.00	-
(b) Mr. Harish Chander/Mr. Ravi Kumar Jain, CFO		
Salaries and incentives	1,333,223.00	-
Contributions for Provident & Pension fund	<b>182,711.00</b>	-
Other Employees Benefits	<b>211,558.00</b>	-
<b>Total</b>	<b>5,070,733.00</b>	<b>553,261</b>

## Notes 21

### Accounting Standard-17 “Segment Reporting”

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





## Notes 22

The reconciliation of services provided as per financial books with Service tax/WCT returns filed with the authorities is under preparation. The adjustment, if any, arising out of the reconciliation shall be carried out in the subsequent year, which is the opinion of the management will not have a material impact as financial statements.

## Notes 23

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

## Notes 24

Previous year figures have been regrouped/ recast/ rearranged wherever deemed necessary to conform to current year's classification. Previous year figures have been rounded off to the nearest rupee.

## Notes 25

The previous year accounts are for the period from 16th October, 2014 to 31st March, 2015 and as such previous year's figure are not comparable with current year figure.

## Notes 26

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

## Notes 27

### **SIGNIFICANT ACCOUNTING POLICIES:**

#### **1. (a) CORPORATE INFORMATION**

NBCC Services Limited was incorporated in 16th October 2014 under the Companies Act, 1956. NBCC Services Limited is a wholly owned subsidiary of National Buildings Construction Corporation Limited (NBCC Limited). During the year the company primarily engaged in business of Project Management and Supervision Services.

#### **(b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared to comply in all material respects with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013. Financial Statements have been prepared under historical cost convention on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) in India. The accounting policies have been consistently followed by Company.

#### **(c) USE OF ESTIMATES**

Financial Statements are prepared in accordance with GAAP in India which require management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and reported amounts of income & expenses during the periods. Although these estimates and assumptions used in accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of date of financial statements which in management's opinion are prudent and reasonable, actual results may differ

from estimates and assumptions used in preparing accompanying financial statements. Any revision to accounting estimates is recognized prospectively from the period in which results are known/ materialize in accordance with applicable Accounting Standards.

## **2. INCOME RECOGNITION**

- (a) In case of Project Management and Supervision Services contracts, revenue is recognised on the basis of percentage completion method. The stage of completion is determined by the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.
- (b) Income from interest on term deposits is accounted for on time proportion basis.
- (c) Other income is recognised when amount and collectability is certain.

## **3. FIXED ASSETS**

### **Tangible Assets:**

Fixed Assets shall be stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises purchase price, duties, levies and any directly attributable cost of bringing the assets to their working condition for its intended use. It shall exclude refundable taxes. Borrowing costs, if any relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

## **4. DEPRECIATION & AMORTISATION**

- a) Depreciation on Fixed Assets shall be calculated on Straight line method in accordance with the provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as residual value. The useful life of fixed assets as defined in the Part C of Schedule II of the Companies Act, 2013 has been taken for all tangible assets.
- b) Fixed Assets costing up to ₹ 10,000/- each shall be fully depreciated in the year of its acquisition.

## **5. PRIOR PERIOD EXPENDITURE / INCOME**

Expenditure / Income upto Rs. 1, 00,000 in each case relating to prior period shall be charged / accounted for to the respective head of accounts.

## **6. EMPLOYEE BENEFITS**

The employees of the company are on secondment from the holding Company i.e. NBCC Limited. Employee benefits include provident fund, pension, gratuity, post retirement scheme & other terminal benefits. In term of the arrangement with the Holding Company, the company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period Company. Accordingly, these employees' benefits are treated as defined contribution scheme.

## **7. TAXES ON INCOME**

Tax expense comprises both current and deferred tax. Current tax shall be determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability /asset resulting from 'timing difference' between accounting income and taxable income, that is capable of reversal in subsequent accounting period shall be accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset shall be recognized and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets shall be reviewed at each reporting date for their reliability.



## 8. IMPAIRMENT OF ASSETS

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

## 9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

**A provision** is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle obligation and in respect of which a reliable estimate can be made. Provisions shall be determined based on management estimate required to settle the obligation on reporting date.

**Contingent liabilities** shall be disclosed on basis of judgment of management after a careful evaluation of facts and legal aspects of matter involved.

**Contingent assets** shall neither be recognized nor will be disclosed. However, when realization of income is virtually certain, related asset is recognized.

## 10. ARBITRATION AWARDS

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

## 11. LIQUIDATED DAMAGES

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, shall be accounted for when matter is considered settled by management.

## 12. CASH FLOW STATEMENT

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

## 13. OPERATING LEASE

Asset acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.





## NBCC SERVICE LIMITED (NSL)

(A Government of India Enterprise)

CIN – U74900DL2014GOI272532

**Regd Office** : Shop No. 25/2, Basement, NBCC Place,  
Bishma Pitamah Marg, Pragati Vihar, New Delhi – 110003

E-mail: nsl@nbccindia.com, Website : www.nslindia.in, Phone: 011-24360907

# ATTENDANCE SLIP

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

Joint shareholders may obtain additional slip at the venue of the meeting

<b>DP ID*</b>		<b>Folio No.</b>	
<b>Client ID*</b>		<b>No. of Shares</b>	

Name and address of the shareholders .....

I hereby record my presence at the 2<sup>nd</sup> ANNUAL GENERAL MEETING of the Company held on Wednesday, September 07, 2016 at 1100 hrs at NBCC Bhawan, Lodhi Road, New Delhi – 110003.

\_\_\_\_\_  
Signature of Member/Proxy

\*Applicable for investors holding shares in electronic form  
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## NBCC SERVICE LIMITED (NSL)

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E-mail: nsl@nbccindia.com, Website : www.nslindia.in, Phone: 011-24360907

# PROXY FORM

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

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

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

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 2<sup>nd</sup> Annual General Meeting of the Company to be held on Wednesday, September 07, 2016 at 1100 hrs at NBCC Bhawan, Lodhi Road, New Delhi – 110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business Resolutions		For	Against
1	To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2016 along with reports of the Board of Directors and Auditors thereon.		
2	To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company appointed by the Comptroller and Auditor General of India for auditing the accounts of the Company for the financial year 2016-17 .		
3	To appoint a Director in place of Shri Hem Raj (DIN 06955662), who retires by rotation and being eligible, offers himself for re-appointment.		
4	To authorize Board of Director to fix remuneration of the Statutory Auditor(s) of the Company for the FY 2016-17.		

Signed this .....day of .....2016

Signature of Shareholder.....

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

Affix Revenue  
Stamp

### Notes:

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

\*Applicable for investors holding shares in electronic form.

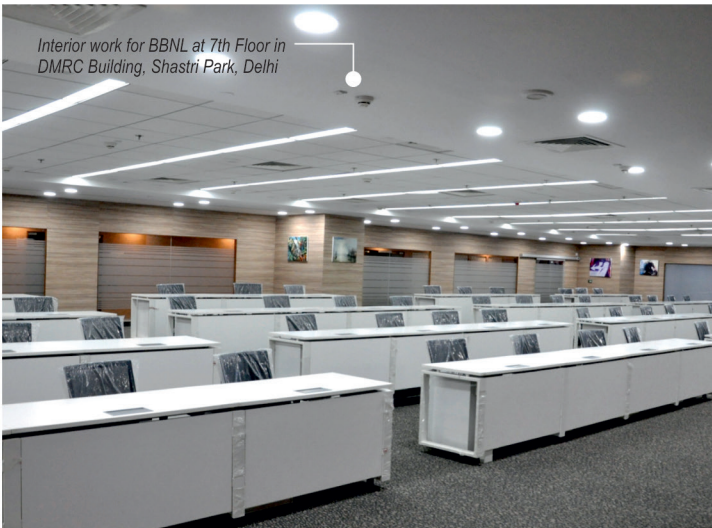




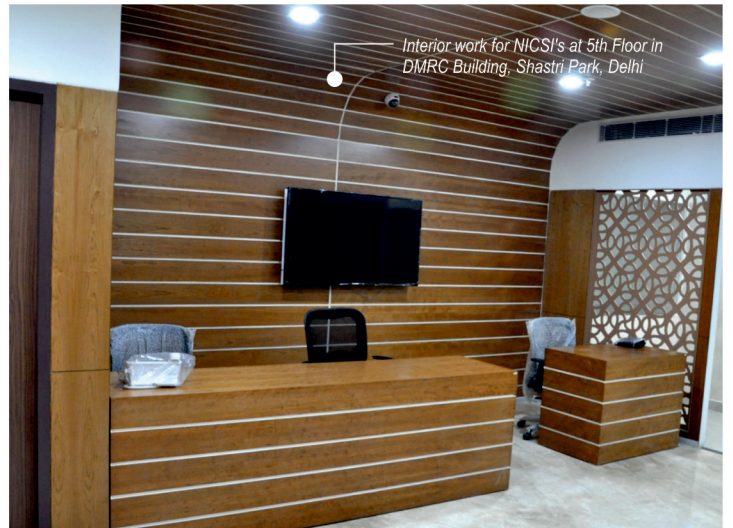
# *Renovation, Interior Works & Maintenance by NBCC Services Limited*



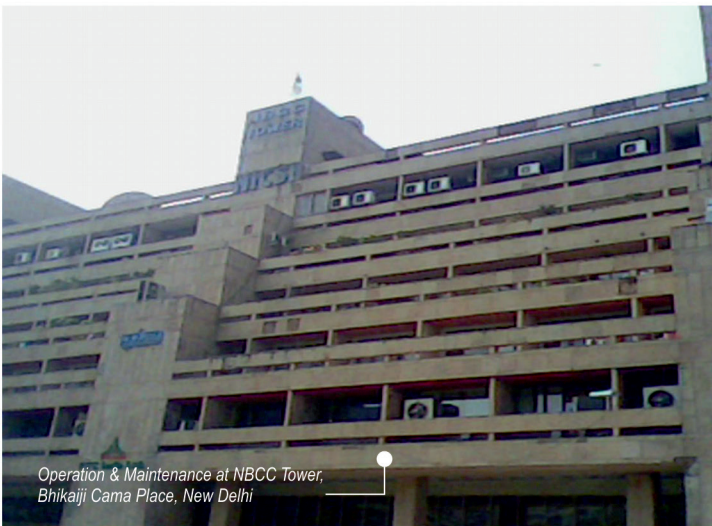
Renovating of Bikaner House, New Delhi



Interior work for BBNL at 7th Floor in DMRC Building, Shastri Park, Delhi



Interior work for NICSJ's at 5th Floor in DMRC Building, Shastri Park, Delhi



Operation & Maintenance at NBCC Tower, Bhikaji Cama Place, New Delhi



Renovation of CM's Cottage at Andhra Bhawan, New Delhi



**2nd**  
**ANNUAL REPORT**  
**2015 - 16**  
**NBCC SERVICES LIMITED**  
[ A wholly owned subsidiary of NBCC (India) Limited ]

Regd: Office: Shop No. 25/2, Basement, NBCC Place, Bishma Pitamah Marg, Pragati Vihar, New Delhi - 110003  
WEBSITE : [www.nslindia.in](http://www.nslindia.in) | E-MAIL : [nsl@nbccindia.com](mailto:nsl@nbccindia.com) | LANDLINE : 011 - 24360907 | CIN- U74900DL2014GOI272532

