



NBCC SERVICES LIMITED

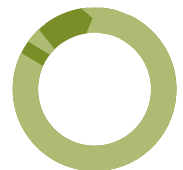
(A wholly owned subsidiary of NBCC (India) Limited)

Raises the benchmark with
another year of
OUTSTANDING PERFORMANCE



5th ANNUAL R E P O R T

2018-19





OFFICE OF AGRICULTURE INSURANCE COMPANY OF INDIA AT EAST KIDWAI NAGAR



OFFICE OF AGRICULTURE INSURANCE COMPANY OF INDIA AT EAST KIDWAI NAGAR



Registered & Corporate Office

NBCC SERVICES LIMITED

(A wholly owned Subsidiary of NBCC (India) Ltd.)

CIN-U74900DL2014GOI272532

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

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

Phone: 011-24360907





OFFICE OF BBNL AT EAST KIDWAI NAGAR



OFFICE OF CHAIRMAN, NATIONAL ANTI- PROFITEERING AUTHORITY, MINISTRY OF FINANCE

NBCC SERVICES LIMITED at Glance

NBCC Services Limited (NSL), set up in October 16, 2014, is a wholly owned subsidiary of NBCC (India) Ltd. It was incorporated 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), Neyveli 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:**
It 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.





VISION

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



OUR MISSION

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



OBJECTIVE

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

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

Board of Directors

Shri Neelesh M Shah | Smt. B.K. Sokhey | Shri Rakesh Gupta

Key Managerial Personnel

Shri MC Sharma, CEO | Shri Amarnath Mourya, CFO

Statutory Auditors

M/s Arun Malhotra & Associates

Bankers

Syndicate Bank | Canara Bank | Indusind Bank





WIDOWS HOSTEL, INDIAN NAVY



OFFICE OF CERSAI AT EAST KIDWAI NAGAR

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BOARD OF DIRECTORS



Shri Neelesh M Shah
(Chairman)



Smt. B.K. Sokhey
(Director)



Shri Rakesh Gupta
(Director)

KEY MANAGERIAL PERSONNEL



Shri M.C. Sharma
(Chief Executive Officer)



Shri Amarnath Mourya
(Chief Financial Officer)

DIRECTORS' PROFILE

Shri Neelesh M Shah (Chairman)

Shri Neelesh Shah joined NBCC on 20th September, 1985 as Assistant Engineer. He holds a Bachelor's Degree in Civil Engineering (with Hons.). His knowledge and expertise in the field is manifested by many landmark projects he has undertaken and successfully executed. He has vast & varied experience of more than 33 years holding several key positions in NBCC (India) Limited and manifested many landmark projects for NBCC in India and abroad. He is Director (Projects) of NBCC (India) Limited. Further, he is the chairman of NBCC Engineering & Consultancy Limited and also holds the position of Managing Director of Hindustan Steelwork Construction Limited (HSCL) subsidiaries of NBCC.

Smt. B.K. Sokhey (Director)

Smt. B.K. Sokhey started her career with NBCC on January 15, 1990 as direct recruit officer in Finance Department. She has more than 29 years of rich experience of working in different capacities in all the sections and departments of accounts and finance. Smt. Sokhey is Chief Financial Officer of NBCC (India) Limited with effect from February 13, 2018. She has wide exposure in treasury, compilation, preparation of balance sheet, tendering, establishment, investor relations and IPO management. Smt. Sokhey holds the B.Com (Honours) degree and is a Fellow member of Institute of Cost Accountants of India.

Shri Rakesh Gupta (Director)

Shri Rakesh Gupta joined NBCC on October 01, 1985 and subsequently climbed up the ladders of success to become Executive Director (Engg). He holds B.E. (Civil Engineering) degree. In his initial years of professional career, he has worked as Graduate Engineer (Civil) in Himachal Pradesh Public Works Department in the field of designing, water supply schemes, bridges and buildings. Presently, he is looking after various prestigious projects like International Exhibition-Cum-Convention Centre at Pragati Maidan; various projects for IIT, Delhi; Headquarter Building of NIA, New Delhi; SDMC HQ works; works of WHO, IIPA, NTRO, Gujarat and Madhya Pradesh Bhawan's building work etc.

KEY MANAGERIAL PERSONNEL

Shri M.C. Sharma (Chief Executive Officer)

Shri Sharma joined the Company on May 08, 2018. He holds a Bachelor's Degree in Civil Engineering and started his career with Shapooji Pallonji as Site Engineer. Shri Sharma has served NBCC for more than 32 Years in various capacities in Domestic as well as Overseas Projects. During his tenure, he has worked in various projects such as ITDC Hotel in Guwahati, Stilt+20 Storied Towers in Mumbai, Mass Housing Project using Tunnel form Technology in Turkey, 2X500 MW Main Plant Civil & Structural works at Rihand, DHP Ahmednagar besides working in Coordination Division in Head Office, and 5 years in Republic of Yemen.

Shri Amarnath Mourya (Chief Financial Officer)

Shri Amarnath Mourya joined the company as CFO with effect from March 12, 2018. He is a fellow member of Institute of Cost Accountants of India. He is having wide and diversified experience of Budgeting, Accounting, Costing and Tax. Prior to NSL, he was working with NBPPL.

CHAIRMAN'S ADDRESS



Dear Shareholders,

I have immense pleasure in welcoming you all at the 5th Annual General Meeting of the Company. The Notice of the meeting together with Directors' Report and Audited Annual Accounts for the financial year ending on March 2019 has already been circulated and with your permission, I take them as read.

We are living in an era of disruptive change, with technology and digitisation rewriting every rule of the book. As the winds of change impact every aspect of our lives – social, economic, political and environmental, it cannot be business as usual. As the old order changes and gives way to the new, we have no choice but to reinvent ourselves and evolve in this new landscape.

Financial Highlights

I am delighted to share with you another year of strong business performance by your Company. Driven by robust operational performance and sound fundamentals, your Company recorded approx 45% growth in total Income in the financial year 2018-19 over the previous one year period. The Net Profit during 2018-19 is also rose by approx 24% from the previous year. The net worth at the close of the financial year 2018-19 stood at approx Rs. 2400 Lakhs being 12 times of the paid-up share capital of the Company.

We have continued to create wealth for our shareholders. The total final dividend proposed for the FY 2018-19 is Rs. 3.50 crore i.e. 175% of paid-up share capital. I would like to appreciate the efforts and hard work made by the employees of NSL.

The performance has enabled your Company to emerge as a valuable player in the service sector. Your Company is further set for accelerated growth due to improved business climate, strategic alliances, wide customer base and a talented workforce.

Business Prospects

The company has initiated new operation and maintenance projects of National Intelligence Academy, Dwarka, Pravasi Bhartiya Kendra, Chanakyapuri, Central Information Commission at the old JNU campus, Civil Services Officers' Institute, NBCC Heights Sector 89 and NBCC Green Valley Sector 37-D besides the existing projects.

The interior design and fit-out works business has grown exponentially. Many orders were booked and executed in a short span of time. That included various interior fit out works in the newly constructed

Commercial Complex of East Kidwai Nagar such as Export Import Bank of India, Competition Commission of India, BBNL, Agriculture Insurance Company of India to name a few, Pharmacy Council of India, Coal India Limited and office of the 15th Finance Commission.

The company is getting many requests to execute projects in Kolkata, Jaipur, Lucknow, Hyderabad and Mumbai besides New Delhi. It would extend its operations across the country in coming years.

NSL signed the MoU with the holding company and targets on various dynamic and static parameters have been fixed. It is expected that the company will get 'Very Good' rating in evaluation by the Holding Company.

IT, CSR Initiatives

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

Under the CSR initiatives, our company contributed Rs 6.68 Lakhs to the Swachh Bharat Kosh of the Government of India and Rs 13.58 Lakhs to the Swachh Kumbh Kosh, Prayagraj Mela Pradhikaran.

Human Capital

Your Company understands and values the role of its human capital in successfully completing works within the given time lines. Thanks to our progressive Human Resource management and initiatives, the productivity per employee has grown significantly, which proves that NSL is now much leaner and an efficient organisation. The growth in operating margin during this period is a testimony to that.

Corporate Governance

Your Company has been a forerunner in adopting the best practices of corporate governance to create transparency, digitalisation, empowerment, accountability and ethical corporate citizenship.

Though we are driven by profit, but we are equally committed for creating social and environmental wealth with special focus on empowerment of communities, inclusive socio-economic growth and environment protection and promotion of green and energy efficient technologies.

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

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

Neelesh M Shah
Chairman



NOTICE

Notice is hereby given that the 5th Annual General Meeting of the members of **NBCC Services Limited** will be held on **Monday, September 9, 2019 at 10.00 a.m.** at Conference Hall, NBCC Bhawan, Lodhi Road, New Delhi -110003 to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend of Rs. 17.50 per paid up equity shares of Rs. 10/- each for the financial year ended March 31, 2019.
3. To appoint a Director in place of Smt. Baldev Kaur Sokhey (DIN 06955670), who retires by rotation and being eligible, offers herself for re-appointment.
4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the FY 2019-20

By order of the Board of Directors

Sd/-

Neelesh Manherlal Shah

Chairman

DIN: 07444898

Place: New Delhi

Date: August 6, 2019

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING (FORM OF PROXY IS ANNEXED).
2. A person can act as proxy on behalf of members not exceeding fifty (50) & 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 member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The proxy-holder shall prove his identity at the time of attending the meeting.
3. Every member entitled to vote at a meeting of the Company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention to inspect is given to the Company.
4. Final Dividend of Rs. 17.50 per paid up equity shares of Rs. 10/- each for the financial year ended

March 31, 2019 (i.e. @ 175%) has been recommended by the Board of Directors in its Board Meeting held on May 10, 2019 subject to the approval of the Shareholders at ensuing Annual General Meeting.

5. The record date for the purpose of dividend is September 9, 2019. The final dividend on equity shares, if declared at the Annual General Meeting, will be paid before October 8, 2019 to the Members whose names appear on the Company's Register of Members on September 9, 2019.
6. The Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India and their remuneration is to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. It is proposed that the Members may authorize the Board of Directors to fix the remuneration in addition to applicable taxes and reimbursement of actual travelling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.
7. The members intending to seek any information on annual accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the AGM.
8. Brief profile of the Directors seeking reappointment forms part of the Notice.
9. 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.

By order of the Board of Directors

Sd/-

Neelesh Manherlal Shah

Chairman

DIN: 07444898

Place: New Delhi
Date: August 6, 2019

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT 5th ANNUAL GENERAL MEETING

Name	Smt. Baldev Kaur Sokhey (DIN: 06955670)
Date of Birth	June 3, 1964
Qualifications	B.Com, CMA
Date of first appointment at the Board	October 16, 2014
Experience	29 Years (Approx.)
Terms and Conditions of Appointment	As per Central Government guidelines
Remuneration sought to be paid and the remuneration last drawn	NIL
No. of shares held in NSL	100
Relationship with Other Directors and KMP	No inter-se relationship
Number of meetings of the Board attended during the FY 2018-19	Nine



Expertise in Specific functional area	<p>Smt. Sokhey has more than 29 years of rich experience of working in different capacities in all the sections and departments of accounts and finance.</p> <p>She has wide exposure in treasury, finalization of financial results, tendering, establishment, investor relations, IPO management etc.</p> <p>Smt. Sokhey holds the B.Com (Honours) degree and is a Fellow Member of Institute of Cost Accountants of India.</p>
Directorship held in other companies (as on August 6, 2019)	<ol style="list-style-type: none"> 1. Real Estate Development & Construction Corporation Of Rajasthan Limited 2. NBCC International Limited
Memberships/ Chairmanship of Committees of other Companies*	Nil

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

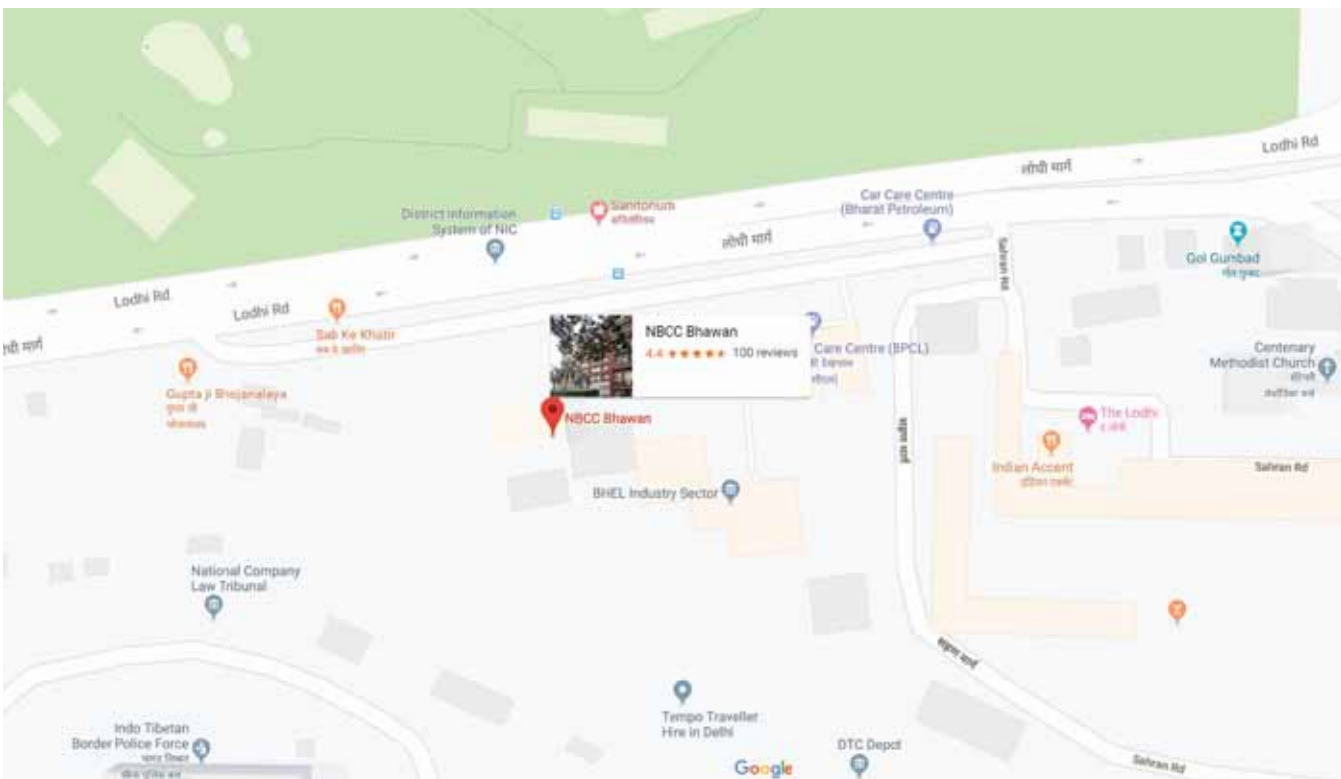
NSL’S 5th ANNUAL GENERAL MEETING

Date: Monday, September 9, 2019

Time: 10:00 AM

Venue: Conference Hall, NBCC Bhawan, Lodhi Road, New Delhi - 110003

Route - Map



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to share the achievements and highlights of the Company for the financial year ended March 31, 2019 and to present the 5th Annual Report on the business and operations of NBCC Services Limited and its Audited Financial Statements with the Auditor's Report as follows:

FINANCIAL HIGHLIGHTS

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

(₹ in lakh)

Particulars	Financial year 2018-19	Financial year 2017-18
Total Income	12,838.90	8,860.38
Total Expenses	11,695.20	7,738.82
Profit before Exceptional and Extraordinary items and Tax	1,143.70	1,121.56
Net Profit/(Loss) After Tax	863.08	696.56

OPERATIONS AND BUSINESS PERFORMANCE

Total income from operations was Rs. 12,838.90 lakh and Profit after Tax was Rs. 863.08 lakh.

RESERVES

The Company did not transfer any amounts to its general reserve during the financial year ended March 31, 2019.

DIVIDEND

Your Directors have recommended a final dividend of Rs. 17.50 per paid-up equity share of face value of Re. 10/- each (i.e. @175%) for the financial year 2018-19, subject to the approval of the Members in the ensuing Annual General Meeting.

SHARE CAPITAL

The paid-up Equity Shares Capital of the Company is Rs. 2 Cr. divided into 20 Lakhs Equity Shares of Re. 10/- each. NSL being the wholly owned subsidiary of NBCC its all shares are held by NBCC and its Nominee shareholders.

BUSINESS REVIEW

The Company has been incorporated as wholly owned subsidiary of NBCC (India) Limited 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.

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, 2019.

LOAN, GUARANTEES AND INVESTMENTS

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



SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

HUMAN RESOURCE DEVELOPMENT

NSL takes pride in its highly motivated and competent Human Resource that has contributed its best to bring the Company to its present heights. Employees are the driving force behind the sustained stellar performance of your Company over all these years of Company's ascendancy. Its success depends on the high level of skills and professionalism of employees.

The Company has maintained cordial industrial relations during the year and appreciates the role of its human capital in propelling the Company to new heights.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels during the financial year. The efforts of employees have enabled the Company to remain at the leadership position in the industry.

SAFEGUARD OF WOMEN AT WORKPLACE

There were not any cases filed during the financial year ended 31st March, 2019 under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- in the preparation of annual accounts for the financial year ended March 31, 2019, the applicable Indian 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 judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 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 Directors have laid down internal financial controls to be followed by the Company and such internal controls are adequate and are operating effectively and
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE REPORT

The Company complies with the guidelines issued by DPE on Corporate governance. The requisite certificate from M/s Mohit Jain & Co. Practicing Company Secretaries is attached to Corporate Governance Report. The Corporate Governance Report for the year ended March 31, 2019 forms part of this report as **Annexure- II**.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Company's related party transactions are generally with its Holding and sister subsidiaries.

The related party contracts referred in section 188 of the Companies Act, 2013 is enclosed as **Annexure-III**.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR) & SUSTAINABILITY DEVELOPMENT

The company has Corporate Social Responsibility (CSR) committee. During the financial year 2018-19 the Company spent an amount of Rs. 20.26 lakh as CSR expenditure. The Company contributed Rs 6.68 Lakhs to the Swachh Bharat Kosh of the Government of India and Rs 13.58 Lakhs to the Swachh Kumbh Kosh, Prayagraj Mela Pradhikaran.

An Annual Report on CSR activities is attached as **Annexure-IV**

COMPLIANCE OF DPE GUIDELINES AND POLICIES

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

MSME IMPLEMENTATION

It always has been endeavour of NSL to support Micro and Small Enterprises (MSEs) and local suppliers under the Public Procurement Policy-2012 for MSMEs.

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. Your Company analyzes the risks associated with its operations and takes all the necessary precautionary measures to manage and mitigate the risks.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial reporting in compliance with the Companies Act'2013 and such internal financial controls were operating effectively.

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

VIGILANCE ACTIVITIES AND INITIATIVES

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 NBCC (holding Company) which includes the duly adopted Whistle Blower Policy is applicable to the company.



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.

The company has followed the Vigil Mechanism Policy as framed by its holdings company viz. NBCC (India) Limited under which protected disclosures can be made by a whistle blower.

AUDITORS AND AUDITOR'S REPORT

Statutory Auditors

M/s Arun Malhotra & Associates, Chartered Accountants, was appointed as Statutory Auditors for the financial year 2018-19 by the Comptroller & Auditor General of India (C&AG). The notes on financial statement referred in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors' Report is attached with financial statements and forms part of this Annual Report.

The Statutory Auditors of the Company have given an un-qualified report on the financial statements of the Company for the financial year 2018-19.

COMMENTS OF C&AG

The Company has received a letter from Comptroller & Auditor General of India (C&AG) regarding no Supplementary Audit on the financial statements of the Company for the financial year 2018-19 and the same is forms part of this report.

NUMBER OF MEETING OF BOARD OF DIRECTORS

Pursuant to the Companies Act, 2013 and the Rules framed there under, Nine Board meetings were held in the financial year 2018-19. The details of the meeting are at Corporate Governance Report forming part of this Annual Report.

Board of Directors and Key Managerial Personnel

Appointments/Cessations

During the FY 2018-19, there was not any appointment or cessation of Directors on the Board of Directors of the Company. Further Shri Mahesh Chandra Sharma was appointed as Chief Executive Officer of the Company w.e.f. May 17, 2018. Smt. A. Sabeena ceased to be CEO of the company w.e.f. May 17, 2018.

The strength of the Board of Directors of NSL as on March 31, 2019 was three, comprising three (3) Non Executive Directors

Details of Key Managerial Personnel

The following are the Key Managerial Personnel of the Company as on March 31, 2019:

- Shri Mahesh Chandra Sharma, CEO (w.e.f. May 17, 2018)
- Shri Amarnath Mourya, CFO (w.e.f. March 12, 2018)

Performance Evaluation of the Directors and the Board

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

The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of Section 134 (3) (p) of the Companies Act, 2013 which requires mentioning the manner of formal evaluation

of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government as per its own evaluation methodology.

Declaration by Independent Director

The company does not have an Independent Directors for the financial year 2018-19.

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.

EXTRACT OF ANNUAL RETURN

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

Conservation of Energy and Technology Absorption:-

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

Foreign Exchange Earnings and Out-go

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

Foreign Exchange Earning: Nil, Foreign Exchange Outgo: Nil

PROGRESSIVE USE OF HINDI

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

CEO/CFO CERTIFICATION

As required under the DPE Guidelines on Corporate Governance, the Certificate signed by Shri MC Sharma, CEO and Shri Amarnath Mourya, CFO forms part of this report.

SIGNIFICANT AND MATERIAL ORDERS

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

GENERAL:

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

1. There was no issue of shares under ESOP/ESPS to the employees.
2. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future
3. None of the Director is receiving any remuneration, commission or sitting fee from the company.
4. As per notification dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of Section 197 of the Companies Act, 2013. Therefore, such particulars have not been included as part of Directors' Report.



5. The company is compliant of the Secretarial Standards issued by the ICSI from time to time.
6. No material change and commitment affected the financial position of the company occurred after the end of the financial year to which this financial statement relate and upto the date of this report
7. 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:
 - I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
 - II. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

ACKNOWLEDGEMENT

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

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

For and on behalf of Board of Directors

Sd/-

Neelesh Manherlal Shah

Chairman

DIN: 07444898

Place: New Delhi

Date: August 6, 2019

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

NBCC Services Limited” (NSL) is a wholly owned subsidiary of NBCC (India) Limited incorporated on October 16, 2014 with an objective to provide post construction maintenance services to 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.

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

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

BUSINESS OPERATIONS:

The business operations of the company are currently in 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

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.



NBCC Services Ltd has also contributed towards Swacch Bharat Kosh under its CSR initiative.

VISION

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

MISSION

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

FINANCIAL PERFORMANCE

Strengthened by operational performance and remarkable growth, NBCC Services has posted a impressive Corporate Results during financial year 2018-19. The total income from operations is Rs. 12,838.90 lacs with Net Profit of Rs. 863.08 lacs.

SWOT Analysis

It is a useful technique for understanding your strength and weaknesses and for identifying both the opportunities open to you and the threats you face. A useful approach when looking at opportunities is to look at your strengths and ask yourself whether these open up any opportunities. Alternatively, look at your weaknesses and ask yourself whether you could open up opportunities by eliminating them.

STRENGTHS: -

1. State of the Art Interiors.
2. Experience in implementation of innovative technologies in Maintenance works.
3. Back to back profit which is directly based on the projects completed by NBCC (I) Ltd.

WEAKNESSES: -

1. Limited Exposure outside DELHI-NCR.
2. More number of C & D Category staff, though they have now been converted to chargeable in various maintenance sites.

OPPORTUNITIES: -

1. Maintaining the ever-growing real estate sector due to rapid pace of urbanization.
2. Less Competition from various PSU's providing the post construction services.

THREATS

1. More Competition from Private sector offering similar services at a very low fee resulting in poor quality control and supervision.

BUSINESS PERFORMANCE

S. No.	DESCRIPTION	TARGET FOR THE YEAR 18-19 (IN CR.)	ACHIEVED IN THE YEAR 18-19 (AUDITED) (IN CR.)
1	MAINTENANCE PROJECTS	Rs. 46.47 Cr.	Rs. 46.80 Cr.
2.	INTERIOR/ RENOVATION PROJECTS	Rs. 76.87 Cr.	Rs. 76.08 Cr.
3	CSR WORKS	Rs. 3.03	Rs. 2.79
	TOTAL		Rs. 125.80 Cr
4	Tender Fee & Other Receipts		Rs. 0.57 Cr.
5.	Credit Balance Written back		Rs. 0.31 Cr
	TOTAL		Rs. 126.69 Cr.

OUTLOOK- THE FUTURE IS PROMISING

NSL is a consistently profit-earning Company. It is led by a professionally experienced senior management team supported with a pool of highly motivated and skilled employees with diverse background ranging from Finance, Projects, Engineering, and HR.

NSL always endeavors to attain Global standards in post construction business with professional outlook. The Company has consistently improved its execution capabilities with the adoption of latest new technology and innovation. It has been a leader in the maintenance/ renovation and interior fit out sector.

NSL prides in creating new generation workspaces that match global standards. The Company has the distinction of developing office projects at par with the best in the world. It has become a partner of choice for many government organisations. Since, most clients desire services quality, innovation, cost-effective and with a significant level of sustainability, the future outlook for NSL is highly positive and optimistic - the Future is Promising.

RISKS AND CONCERNS

Several elements of risks start arising right from the stage of securing orders till successful execution and maintenance through the defect liability period to the complete satisfaction of the client protecting the envisaged business interest of the Company. Various Risk & Concerns that NSL has to face are as below: -

S. No.	Source	Risk Description
1	Securing Orders	The Company does not enjoy any price protection in securing orders.
2	Execution of secured orders	The Company is responsible for execution of secured orders to the complete satisfaction of the client within time schedule and adhering to the specified quality standards.
3	Maintenance during the defect liability period	Maintenance through the defect liability period to the satisfaction of the client protecting the envisaged business interest of the Company.
4	Selection of client	Selection of client is one of the most important elements in the business operation of the Company. Right selection of client eliminates to a great extent the apprehension of facing contractual hurdles during execution of the project. Positive approach of the client helps in bringing synergy between the owner and the executor.
5	Selection of project	Selection of project is the most vital decision the Company has to take before submitting bid for a project. Wrong selection of project will definitely lead to either failure in implementation or financial loss to the Company.
6	Selection of modalities of execution	Risk of different natures and magnitudes are involved in the available options for execution modalities of any project. Normally, selection of modalities of execution depends on the following factors: <ul style="list-style-type: none"> • Nature of work • Volume of work • Sector of work • Availability of required equipment • Requirement of fund • In house capabilities



7	Selection of Contractor	Selection of Contractor is one of the most vital decisions the management of the Company has to take after securing an order. Wrong selection of agency will inflict the risk of failure in implementation of the project, erosion of margin, tarnished image, loss of credential and bitter litigation.
8	Project Management	Success of implementation of any project depends largely on efficient Project Management. About 60% of the projects fail due to bad Project Management. Responsibilities of a Project Manager starts from the stage of project execution to project closing phase. Any shortcoming at any stage may lead to risk of failure of the project, loss of reputation and the inevitable erosion of margin.
9	Safety of men and materials	In execution of projects, protection of working personnel from occupational hazards and safety of materials involved as project inputs, stores, tools & tackles etc. carry huge amount of risk.
10	Realisation of payment from client	This is one of the most sensitive areas on which the success and failure of any project depends. For execution of any project, adequate cash flow for project inputs and other cost centres is essential at proper time.
11	Protection of envisaged profit margin	Ultimate success in execution of any project is reflected in its financial results. It is a daunting challenge to the Project Manager to protect the envisaged margin and if possible to maximize it beyond the targeted outcome.

Even after taking adequate care to eliminate the risk factors in Company's business operations, it is not possible to bring about totally risk free environment for project execution

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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.

The company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operation effectively as at March 31, 2019, 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

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

NSL adopts HR 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

CORPORATE GOVERNANCE PHILOSOPHY

At NSL, Corporate Governance is more than just adherence to the statutory and regulatory regulations. Your Company traverses the extra mile to incorporate practices that underlie the highest levels of transparency, integrity, respect & propriety. To improve efficiency, we have adopted good corporate practices ensures transparency at large.

Board of Directors

Composition of the Board

The Board comprises of three directors i.e. Shri Neelesh Shah, Smt B K Sokhey and Shri Rakesh Gupta. Shri Neelesh M Shah is the Chairman of the Company. Further, Shri MC Sharma is CEO and Shri Amarnath Mourya is CFO of the Company respectively.

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

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

Code of Conduct

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

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

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) of the Company as on March 31, 2019:

1. Shri MC Sharma, Chief Executive Officer
2. Shri Amarnath Mourya, Chief Financial Officer

Equity Shares held by Directors:

Shri Neelsh Shah, Smt. BK Sokhey and Shri Rakesh Gupta, Directors of the Company hold 100 equity shares of the Company on behalf of NBCC ((India) Limited as on March 31, 2019..

BOARD MEETINGS

Scheduling and distribution of board material in advance

Board Meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors in time. The



members of the Board have complete access to all information of the Company. CEO and CFO are special invitees to all Board meetings and other senior management personnel are also invited to the Board meetings on need basis to provide additional inputs on the items being discussed by the Board. The Board meets at least once in every quarter to review the quarterly results and additional Board meetings are convened as and when considered necessary by giving appropriate notice period along with agenda notes.

Selection of Agenda items for Board Meetings

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

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

Compliance

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

Number of Board Meetings

During the year 2018-19, Nine (9) Board meetings were held, the details of the Board meetings are as under:

S.No.	Date of Board Meeting	Board's Strength	No of directors present at the meeting
1	May 17, 2018	3	3
2	June 28, 2018	3	3
3	August 06, 2018	3	3
4	September 20, 2018	3	3
5	September 28, 2018	3	3
6	November 3, 2018	3	3
7	December 12, 2018	3	3
8	February 7, 2019	3	3
9	March 14, 2019	3	3

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

Name of Director	Board Meetings held during his/ her duration (No)	Board Meetings attended (No)	Attendance at the last AGM	No. of other Directorships	Chairmanship/ / membership of other Committees
Shri Neelesh Shah	9	9	Yes	3	3
Smt. BK Sokhey	9	9	Yes	2	-
Shri Rakesh Gupta	9	9	No	-	-

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

BOARD LEVEL COMMITTEES

Procedure at Committee meetings

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

CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE

Composition

The Committee comprises of Shri Neelesh Shah as Chairman and Smt. BK Sokhey and Shri Rakesh Gupta as members of the Committee

Meetings and Attendance:

The Committee held four meeting during the financial year 2018-19 i.e. on August 06, November 03, 2018, February 07, March 14, 2019.

Attendance during the Financial Year 2018-19

Name of the Director	Designation	No. of meetings held during his/ her tenure	No. of committee meeting attended
Smt. BK Sokhey	Chairman	4	4
Shri Neelesh Shah	Member	4	4
Shri Rakesh Gupta	Member	4	4

AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE

Pursuant to the provisions of Companies Act, 2013, the Audit Committee and Nomination & Remuneration Committee are not applicable on the Company.



GENERAL BODY MEETING

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

Year	Location	Date	Time	Special Resolution, if any
2018	NBCC Bhawan, 1st Floor, Lodhi Road, New Delhi-110003	1st September, 2018	12:30 PM	NO
2017	NBCC Bhawan, 1st Floor, Lodhi Road, New Delhi-110003	6th September, 2017	12:30 PM	NO
2016	NBCC Bhawan, 1st Floor, Lodhi Road, New Delhi-110003	7th September, 2016	12:00 Noon	NO

Means of Communication

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

Listing on Stock Exchange

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

Shareholding Pattern

Name of Shareholder	As on March 31, 2019
NBCC (India) Ltd.	19,99,400
Baldev Kaur Sokhey*	100
Yogesh Sharma*	100
Neelesh Manherlal Shah*	100
Rakesh Gupta*	100
Nirmal Prakash Aggarwal*	100
A Sabeena*	100

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

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion

Date and likely impact on equity

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

UNCLAIMED DIVIDENDS

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

Address for correspondence

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

Certificate on Corporate Governance

The Certificate on Corporate Governance is being enclosed as Annexure-A.

COMPLIANCES

No penalties/strictures were imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital market and guidelines issued by the Government.

DISCLOSURES

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

Chief Executive Officer Declaration

I, MC Sharma, 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 March 31, 2019.

Place: New Delhi
Date: August 6, 2019

Sd/-
MC Sharma
Chief Executive Officer





**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, 2019 as stipulated 8.2.1 of guidelines issued 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 Committee and 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 India Ltd., the policies, guidelines, etc of NBCC are being followed by **NBCC Services Limited** till their own policies are formulated and adopted.

For Mohit Jain & Co.
Company Secretaries

Sd/-
(Mohit Jain)
Proprietor
CP- 15198
ACS- 40841

Date: August 06, 2019
Place: New Delhi

MANAGEMENT'S REPLY TO AUDITORS' REPORT ON CORPORATE GOVERNANCE (FY 2018-19)

S. No.	AUDITORS' COMMENTS	MANAGEMENTS' REPLY
1.	The Company is yet to constitute an Audit Committee and Remuneration Committee of the Board as required in DPE guidelines.	Pursuant to the notification from Ministry of Corporate Affairs (MCA) dated July 05, 2017, exemption for appointment of Independent Directors provided to the unlisted wholly owned subsidiary companies. Further pursuant to the Companies Act, 2013 the constitution of Audit and Nomination & Remuneration Committee are as follows: Audit Committee (Section 177): The Audit Committee shall consist of minimum three directors with Independent directors forming majority. Nomination and Remuneration Committee: Shall constitute with three or more non-executive Directors out of which not less than one-half shall be independent Directors.
2.	The Company is yet to appoint Independent Directors on the Board as required in DPE Guidelines.	As NBCC Services Limited (NSL) being a wholly owned subsidiary of NBCC (India) limited it being exempted from appointment of Independent Directors. Consequently, NSL have been exempted with the requirement of constituting an Audit Committee and Nomination & Remuneration Committees as there is no requirement of appointment of Independent Directors.
3.	Being a wholly owned subsidiary of NBCC India Ltd., the policies, guidelines, etc of NBCC are being followed by NBCC Services Limited till their own policies are formulated and adopted.	Noted

For and on behalf of Board of Directors

Sd/-

Neelesh Manherlal Shah

Chairman

DIN: 07444898

Place: New Delhi

Date: August 6, 2019



CEO/CFO Certification

**To
Board of Directors
NBCC Services Limited**

We, MC Sharma, Chief Executive Officer and Amarnath Mourya, Chief Financial Officer do hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31.03.2019 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 year financial year 2018-19
 - ii. The significant changes in accounting policies during the financial year 2018-19 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/-
MC Sharma
Chief Executive officer

Sd/-
Amarnath Mourya
Chief Financial Officer

Place: New Delhi
Date: August 06, 2019

Annexure-III

AOC-2

Particulars of contracts / arrangements made with related party

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

Details of contracts / arrangements or transactions at arms length basis for the FY 2018-19

Name of Related Party and Nature of Contract	Relationship	Duration of Contract	Sailent Features	Amount (Rs in Lacs)
NBCC India Limited	Holding Company	As per Board approval	Services Provided	2247.26
			Purchase of Property	940.31
			Rent paid	2.59

Sd/-
Neelesh Manherlal Shah
Chairman
DIN-07444898

Place: New Delhi
Date: August 06, 2019

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

NSL, follows its CSR polices approved by board of Directors.

2. **The Composition of the CSR Committee:**

S. No.	Name Of Member	Designation
1	Smt. B.K. Sokhey	Chairman
2	Shri Neelesh Shah	Director
3	Shri Rakesh Gupta	Director

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

The average net profit of the Company for the last three financial years is Rs. 1012.63 lakh and 2% of the same would be 20.26 lakh. Accordingly, the same was required to be spent during the year under review as per the provisions of the Companies Act, 2013. In continuing with the endeavour towards being a socially responsible business entity, the Company has incurred a sum of Rs. 20.26 Lakh towards CSR Activities.

4. **Prescribed CSR Expenditure : Rs. 20.26 Lakh**

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

(i) Total amount to be spent for the financial year: Rs. 20.26 Lakh

(ii) Amount unspent, if any; Not Applicable

(iii) Manner in which the amount spent during the financial year is as per table given below.

S. No.	CSR project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2)Specify the State and district where projects or programs as undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (Rs. In lakh)	Cumulative expenditure upto to the reporting period (Rs. In lakh)	Amount Spent: Direct or through implementing agency
1	Contribution to the Swachh Bharat Kosh set-up by the Central Government	Healthcare (Item No. (i) of Schedule-VII)	Local Areas	-	6.68 lakh	6.68 lakh	Direct
2	Contribution to the Swachh Kumbh Kosh, Prayagraj Mela Pradhikaran	Healthcare and Sanitation (Item No. (i) of Schedule-VII)	Prayagraj, UP	-	13.58 Lakh	13.58 Lakh	Direct
Total					20.26 Lakh	20.26 Lakh	



(iv) In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable

RESPONSIBILITY STATEMENT

We hereby affirm that the CSR policy as approved by the Board of NBCC Services Limited has been implemented & the CSR committee monitors the implementation of CSR projects and activities in compliance with CSR objective and policy of the Company.

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

Sd/-

B.K. Sokhey

Chairman (CSR Committee)

Date: August, 06 2019

Place: New Delhi

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2019

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:		
1	CIN	U74900DL2014GOI272532
2	Registration Date	October 16, 2014
3	Name of the Company	NBCC Services Limited
4	Category/Sub-category of the Company	Company Limited by Shares Government Company
5	Address of the Registered office & contact details	NBCC CENTRE, GROUND FLOOR PLOT NO.2, COMMUNITY CENTER OKHLA PHASE -1, Delhi -110020 E-mail: co.sectt@nbccindia.com, Contact: 011-24367314
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

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)			
S No.	Name and 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 AND ASSOCIATE COMPANIES					
S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NBCC (India) Limited	L74899DL1960GOI003335	Holding	100	2 (46)



IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		600	600	0.03%		600	600	0.03%	0.00%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.		1,999,400	1,999,400	99.97%		1,999,400	1,999,400	99.97%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	-	2,000,000	2,000,000	100.00%	-	2,000,000	2,000,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	2,000,000	2,000,000	100.00%	-	2,000,000	2,000,000	100.00%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B) (1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian			-	0.00%			-	0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B) (2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%



Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	2,000,000	2,000,000	100.00%	-	2,000,000	2,000,000	100.00%	0.00%

(ii) Shareholding of Promoter

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	NBCC (India) Limited	1,999,400	99.97%	0.00%	1,999,400	99.97%	0.00%	0.00%
2	Shri NP Aggarwal	100	0.01%	0.00%	100	0.01%	0.00%	0.00%
3	Shri A.Sabeena	0	0.00%	0.00%	100	0.01%	0.00%	0.00%
4	Smt BK Sokhey	100	0.01%	0.00%	100	0.01%	0.00%	0.00%
5	Shri Neelesh M Shah	100	0.01%	0.00%	100	0.01%	0.00%	0.00%
6	Shri Yogesh Sharma	0	0.00%	0.00%	100	0.01%	0.00%	0.00%
7	Shri Rakesh Gupta	100	0.01%	0.00%	100	0.01%	0.00%	0.00%
8	Shri Hemraj	100	0.01%	0.00%	0	0.00%	0.00%	0.00%
9	R.L Mehera	100	0.01%	0.00%	0	0.00%	0.00%	0.00%
		2,000,000	100.00%	0.00%	2,000,000	100.00%	0.00%	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	1/4/2018		2,000,000	100.00%	2,000,000	100.00%
	Changes during the year			0.00%	0.00%	0.00%	0.00%
	At the end of the year	31/3/2019		2,000,000	100.00%	2,000,000	100.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	1/4/2018		-	0.00%	-	0.00%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year	31/3/2019		-	0.00%	-	0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Neelesh Shah						
	At the beginning of the year	1/4/2018		100	0.01%	100	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/3/2019		100	0.01%	100	0.01%
2	BK Sokhey						
	At the beginning of the year	1/4/2018		100	0.01%	100	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/3/2019		100	0.01%	100	0.01%
3	Rakesh Gupta						
	At the beginning of the year	1/4/2018		100	0.01%	100	0.01%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/3/2019		100	0.01%	100	0.01%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		-		-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition		-		-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount		-		-
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	-	-	-



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
	Name			
	Designation			
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	-	-	-
	Ceiling as per the Act			

B. Remuneration to other Directors

	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				
	Fee for attending board committee meetings				-
	Commission				-
	Other, Specify				-
	Total (1)		-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				

(Rs in Lakh)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
	Name	MC Sharma (w.e.f. May 17, 2018)	Amarnath Mourya	
	Designation	CEO	CFO	
1	Gross salary			
	The Remuneration of Key Managerial Personnals included in various schedules to Statement of Profit & Loss	50.77	27.47	78.24
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify			
5	Others, please specify			
	Total	50.77	27.47	78.24

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)
A. COMPANY					
Penalty		NA	NA	NA	NA
Punishment					
Compounding					
B. DIRECTORS					
Penalty		NA	NA	NA	NA
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		NA	NA	NA	NA
Punishment					
Compounding					

Place: New Delhi
Date: August 06, 2019

Sd/-
Neelesh Manherlal Shah
Chairman
DIN-07444898



C&AG COMMENTS

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF THE 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 2019

The preparation of financial statements of NBCC SERVICES LIMITED for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller & Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of **NBCC SERVICES LIMITED** for the year ended 31 March 2019 under section 143 (6)(a) of the Act.

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

Sd/-

(Prachi Pandey)

Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I, New Delhi

**Place: New Delhi
Date: June 27, 2019**



Financial Statement

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NBCC SERVICES LIMITED

Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **NBCC Services Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<i>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</i>	<p><u>Principal Audit Procedures</u></p> <p>We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p>

<p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period.</p>	<ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • In respect of samples relating to fixed price contracts, progress towards satisfaction of performance obligation used to compute recorded revenue was verified with actual and estimated efforts from the time recording and budgeting systems. • Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
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2	<p><i>Accuracy of revenues and onerous obligations in respect of fixed price contracts involves critical estimates</i></p> <p>Estimated effort is a critical estimate to determine revenues and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.</p>	<p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. • Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. • Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
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Information Other than the Financial Statements and Auditor’s Report Thereon

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

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

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

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

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows

of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) Being a Government company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provision of Section 164 (2) of the Companies Act is not applicable to the company.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. We enclose our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the “Annexure C” on the directions and sub-directions issued by the Comptroller and Auditor General of India.

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

Sd/-
ARUN MALHOTRA
Partner
(Membership No.81452)

Place: New Delhi
Date: May 10, 2019



TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NBCC SERVICES LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sd/-
ARUN MALHOTRA
Partner
(Membership No.81452)

Place: New Delhi
Date: May 10, 2019



TO THE INDEPENDENT AUDITOR'S REPORT

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

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of the immovable properties, as disclosed in Note 2 on fixed assets to the financial statements, are pending execution. Hence the said immovable properties amounting to Rs. 1910.68 Lakhs are not held in the name of the Company as at the balance sheet date.
- ii. The Company is in the business of providing project management and super-vision services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted, secured loans to companies, firms, LLP's or other parties covered in the register maintained under section 189 of the Companies Act, 2013, and as such provisions of Para 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the order regarding granting of loans are not attracted to the company.
- iv. In our opinion and according to the information and explanations given to us, the provisions of Sections 185 and 186 of the Act, with respect to the loans, making investments and providing guarantees and securities, are not attracted to the company.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The employees of the Company are on secondment basis from its holding company i.e. NBCC (India) Limited. As explained to us, the holding company is regular in depositing undisputed statutory dues, including Provident Fund with appropriate authority. According to information and explanations given to us, and on the basis of our examination of the records of the company, the company is generally regular in depositing undisputed statutory dues including Income Tax, Goods and Service Tax, Labour Welfare Cess, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. As explained to us, the company did not have any dues on account Employees State Insurance and Duties of Excise.
 - (b) According to information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a

period of more than six months from the date they became payable except Tax Deducted at Source details as under :-

S No.	Assessment Year	Amount
1.	2015-16	2,61,030/-
2.	2017-18	24,350/-
3.	2018-19	23,71,640/-
	TOTAL	26,57,020/-

- (c) According to information and explanation given to us, that there were no dues of Income Tax and Goods & Service Tax which have not been deposited by the company on account of disputes.
- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The company is a Government company and such in pursuant to the Notification No. GSR 463(E) dated 05th June 2015 issued by Ministry of Corporate Affairs, Government of India, the provisions of Section 197 of the Act is not applicable to the company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Sd/-
ARUN MALHOTRA
Partner
(Membership No.81452)

Place: New Delhi
Date: May 10, 2019

TO THE INDEPENDENT AUDITOR'S REPORT

Directions and sub directions indicating the areas to be examined by the Statutory Auditors during the course of audit of Annual accounts of the NBCC Services Limited for the years 2018-19 issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act 2013

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

For Arun Malhotra & Associates

Chartered Accountants
(Firm's Registration No. 002563N)

Sd/-

ARUN MALHOTRA

Partner

(Membership No.81452)

Place: New Delhi

Date: May 10, 2019

Balance Sheet As at March 31, 2019

(₹ in lakh)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2	1,964.98	3.74
(b) Other Intangible Assets	2	0.38	0.88
2 Deferred Tax Assets (Net)	3	159.78	88.70
3 Other Non Current Assets	4		64.31
		2,125.14	157.63
4 Current Assets			
(a) Financial Assets			
(i) Trade Receivables	5	3,304.86	3,179.37
(ii) Cash and Cash Equivalents	6	36.41	47.28
(iii) Other Bank Balances	7	2,308.18	4,065.46
(iv) Other Financial Assets	8	359.86	150.18
(b) Current Tax Assets (Net)	9	36.47	-
(c) Other Current Assets	10	477.66	193.13
		6,523.45	7,635.43
TOTAL ASSETS		8,648.59	7,793.06
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	11	200.00	200.00
(b) Other Equity	12	2,139.14	1,276.06
Total Equity		2,339.14	1,476.06
2 Liabilities			
Non Current Liabilities			
(a) Other Financial Liabilities	13	390.12	60.30
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	14	2,788.06	4,064.46
(ii) Other Financial Liabilities	15	587.29	890.18
(b) Other Current Liabilities	16	2,450.44	1,117.19
(c) Provisions	17	93.54	85.57
(d) Current Tax Liabilities (Net)	18	-	99.29
		6,309.45	6,317.00
TOTAL EQUITY & LIABILITIES		8,648.59	7,793.06

Significant Accounting Policies &

Notes on Financial Statements 1 to 39

For and on behalf of the Board of Directors

Sd/-
(N K Shah)
Chairman
DIN:07444898

Sd/-
(Rakesh Gupta)
Director
DIN:08094064

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

Sd/-
(M C Sharma)
C E O

Sd/-
(Amarnath Mourya)
C F O

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

Place : New Delhi
Date : May 10, 2019

Sd/-
(ARUN MALHOTRA)
Partner
Membership No. 81452

Statement of Profit and Loss For the period ended on March 31, 2019

(₹ in lakh)

Particulars	Note No.	For the year ended on March 31, 2019	For the year ended on March 31, 2018
I. Revenue From Operations			
Revenue From Operation	19	12,669.05	8,637.34
II. Other Income	20	169.85	223.03
III. Total Income (I + II)		12,838.90	8,860.38
IV. Expenses:			
Cost of Work & Consultancy Expenses	21	10,541.59	6,723.20
Employee Benefits Expense	22	835.82	743.99
Depreciation and Amortisation Expense	2	20.21	1.38
Other Expenses	23	297.58	270.24
Total Expenses (IV)		11,695.20	7,738.82
V. Profit before Exceptional Items and Tax (III-IV)		1,143.70	1,121.56
VI. Exceptional Items			
VII. Profit before Tax (V - VI)		1,143.70	1,121.56
VIII Tax Expense:			
(1) Current Tax	24	413.78	477.28
(2) Deferred Tax	24	(71.08)	(52.29)
(3) Provision for earlier year written back		(62.07)	
IX Profit / Loss for the period from continuing operations (VII-VIII)		863.08	696.56
X Profit / (Loss) for the discontinued operations			-
XI Tax expenses of discontinued operations			-
XII Profit / (Loss) for the discontinued operations (after tax) (X-XI)			-
XIII Profit / (Loss) for the period (IX-XII)		863.08	696.56
XIV Other Comprehensive income			
A (i) Items that will not be reclassified into profit/loss			-
(ii) Income tax relating to items that will not be reclassified to profit/loss Income Tax effect			-
B (i) Items that will be reclassified into profit/loss			-
(ii) Income tax relating to items that will be reclassified to profit/loss			-
XV Total comprehensive income for the period (XIII-XIV)		863.08	696.56
XVI Earnings per Share (Face value of Rs. 10/- per Equity Share)	25		
(1) Basic (in ₹)		43.15	34.83
(2) Diluted (in ₹)		43.15	34.83

Significant Accounting Policies &
Notes on Financial Statements 1 to 39
For and on behalf of the Board of Directors

 Sd/-
(N K Shah)
 Chairman
 DIN:07444898

 Sd/-
(Rakesh Gupta)
 Director
 DIN:08094064

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

 Sd/-
(M C Sharma)
 CEO

 Sd/-
(Amarnath Mourya)
 CFO

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

 Sd/-
(ARUN MALHOTRA)
 Partner
 Membership No. 81452

 Place : New Delhi
 Date : May 10, 2019

Cash Flow Statement For the year ended on March 31, 2019

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
A. Cash flows from operating activities		
Net profit before tax and extraordinary items	1,143.70	1,121.59
Adjustment for:		
Depreciation	20.21	1.38
Interest Received	(169.85)	(223.03)
Operating Profit before Working Capital Changes	994.07	899.94
Adjustment for:		
Decrease/(Increase) in Other Financial Assets (Non Current)		
Decrease/(Increase) in Trade receivables	(125.49)	(723.79)
Decrease/(Increase) in Other Financial Assets	(209.68)	(53.21)
Decrease/(Increase) in Other Current Assets	(284.53)	(139.91)
(Decrease)/Increase in Trade payables	(1,276.40)	667.81
(Decrease)/Increase in Other financial liabilities (Current)	(302.89)	74.97
(Decrease)/Increase in Provisions (Current)	7.97	20.65
(Decrease)/Increase in Other Current Liabilities	1,333.25	(163.64)
(Decrease)/Increase in Other Non-Current Liabilities	329.82	60.30
Cash generated from Operations before Extra Ordinary Items	466.11	643.12
Extraordinary Items		-
Direct Taxes Paid	(487.47)	(498.58)
Net Cash from Operating Activities (A)	(21.37)	144.54
B. Cash Flows from Investing Activities:		
Purchases of Fixed Assets	(1,980.95)	(1.99)
Capital Advance for Property, Plant And Equipment.	64.31	(64.31)
Fixed deposits placed with Banks having original maturity of more than 3 months	1,722.74	(1,657.24)
Interest Accrued on Fixed Deposits	34.54	(45.80)
Interest Received (Net of Tax Deducted at Source)	169.85	223.03
Net Cash from Investing Activities: (B)	10.49	(1,546.31)
C. Cash Flows from Financing Activities:		
Interim Dividend on Equity Shares paid	-	(330.00)
Net Cash from Financing Activities (C)	-	(330.00)
Net Increase in Cash and Cash Equivalent (A) + (B) + (C)	(10.87)	(1,731.77)
Cash and Cash Equivalents - Opening	47.28	1,779.09
Cash and Cash Equivalents - Closing	36.41	47.28



Particulars		For the year ended on March 31, 2019	For the year ended on March 31, 2018
i)	Cash and Cash Equivalents Includes:		
a)	Cash in Hand & Stamp in Hand	-	-
b)	Remittances in Transit / Cheques in Hand	-	-
c)	Balances / Fixed Deposits/Call Deposits with Banks	36.41	47.28
d)	Interest Accrued in Flexi Deposits	-	-
e)	Balances with Bank in Unclaimed Dividend Account	-	-
		36.41	47.28

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

For and on behalf of the Board of Directors

Sd/-
(N K Shah)
Chairman
DIN:07444898

Sd/-
(Rakesh Gupta)
Director
DIN:08094064

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

Sd/-
(M C Sharma)
C E O

Sd/-
(Amarnath Mourya)
C F O

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

Sd/-
(ARUN MALHOTRA)
Partner
Membership No. 81452

Place : New Delhi
Date : May 10, 2019

Statement of changes in Equity as at 31st March, 2019

Equity Share Capital

(₹ in lakh)

Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Redemption of equity share capital during the year	Balance at the end of reporting period
Balance as at 1 April 2017	200.00	-	-	200.00
Balance as at 31 March 2018	200.00	-	-	200.00
Balance as at 31 Mar 2019	200.00	-	-	200.00

(₹ in lakh)

Other equity	Share application money pending allotment	Reserves and Surplus		Other comprehensive income - Reserve	Total
		General Reserve	Retained Earnings		
Balance as at 1 April 2017	-	-	1,276.06	-	1,276.06
Profit for the year	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
Dividends paid including Dividend Distribution tax	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Balance as at 31 March 2018	-	-	1,276.06	-	1,276.06
Profit for the year	-	-	863.08	-	863.08
Other Comprehensive Income	-	-	-	-	-
Interim Dividend paid	-	-	-	-	-
Dividend Distribution tax	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Balance as at 31 March 2019	-	-	2,139.14	-	2,139.14

For and on behalf of the Board of Directors

Sd/-
(N K Shah)
Chairman
DIN:07444898

Sd/-
(Rakesh Gupta)
Director
DIN:08094064

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

Sd/-
(M C Sharma)
C E O

Sd/-
(Amarnath Mourya)
C F O

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

Place : New Delhi
Date : May 10, 2019

Sd/-
(ARUN MALHOTRA)
Partner
Membership No. 81452

Note 1

Significant Accounting Policies

1. NATURE OF PRINCIPAL ACTIVITIES

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

2. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IND AS

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

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

The financial statements for the period ended 31st Mar 2019 were authorized and approved for issue by the Board of Directors on 10th May 2019.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4. OVERALL CONSIDERATIONS

The financial statements have been prepared using the significant accounting policies and measurement bases that are in effect during the period ended 31st Mar 2019, as summarised below.

4.1 REVENUE RECOGNITION

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

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

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

Project Management and Supervision services

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

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

Revenue includes:

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

Interest and other income

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

4.2 INTANGIBLE ASSETS

Recognition

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

Subsequent measurement (Amortisation)

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

4.3 PROPERTY, PLANT AND EQUIPMENT

Recognition

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

Subsequent measurement (depreciation)

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

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

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



The following useful lives are applied.

Asset Category	Estimated Useful Life (in Years)
Buildings	
Building (Other than factory building)	60 Years
Furniture & Fittings	10 Years
Office Equipment	05 Years
Computers & Data Processing Units	
Servers & Networks	06 Years
End User devices viz. Desktop, Laptop, etc.	03 Years

De-recognition

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

4.4 LEASES

Company as a lessee

Finance leases

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments.

The interest element of lease payments is charged to statement of profit or loss, as finance costs over the period of the lease. The leased asset is depreciated over the useful life of the asset or lease term whichever is lower.

Operating leases

Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the less or are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the less or for expected inflationary costs.

Company as a lessor

Operating lease

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

4.5 IMPAIRMENT OF NON FINANCIAL ASSETS

Carrying amount of assets is reviewed at each reporting date where there is any indication of impairment based on internal/ external indicators. An impairment loss is recognised in the

statement of profit and loss where carrying amount exceeds recoverable amount of assets. Impairment loss is reversed, if, there is change in recoverable amount and such loss either no longer exists or has decreased or indication on which impairment was recognised no longer exists.

4.6 FINANCIAL INSTRUMENTS

Financial assets

Initial recognition and measurement

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

Subsequent measurement

- i. **Debt instruments at amortised cost**— A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

De-recognition of financial assets

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

Financial liabilities

Initial recognition and measurement

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



Subsequent measurement

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

De-recognition of financial liabilities

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

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

Offsetting of financial instruments

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

4.7 IMPAIRMENT OF FINANCIAL ASSETS

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

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

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

Trade receivables

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime expected credit losses

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company

determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

4.8 INCOME TAXES

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. (Deferred income taxes are calculated using balance sheet approach).

Deferred tax liabilities are generally recognised in full for all taxable temporary differences.

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

4.9 CASH AND CASH EQUIVALENTS

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

4.10 EQUITY, RESERVES AND DIVIDEND PAYMENTS

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

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

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

4.11 POST-EMPLOYMENT BENEFITS AND SHORT-TERM EMPLOYEE BENEFITS

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



4.12 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

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

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

Contingent assets are disclosed when probable and recognised when realization of income is virtually certain.

4.13 ARBITRATION AWARDS

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

4.14 LIQUIDATED DAMAGES

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

4.15 PRIOR PERIOD EXPENDITURE/ INCOME

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

4.16 SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

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

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

Significant management judgements

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

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

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

Estimation uncertainty

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

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

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

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

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

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



Notes to Financial Statements

Note 2

(a) Property, Plant & Equipment

(₹ in lakh)

S.No	FIXED ASSETS	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at 1st April 2018	Additions	Disposals	As at 31st March 2019	As at 1 April 2018	Depreciation charge for the period	On Disposals	As at 31st March 2019	As at 31st March 2019	As at March 31, 2018
		1	2	3	4	5	6	7	8	13	14
	Tangible Assets (Not Under Lease)										
	Land and Building	-	1,910.65		1,910.65	-	15.17		15.17	1,895.48	
	Furniture and Fixtures	2.48	68.33	-	70.81	0.59	3.49	-	4.08	66.73	1.89
	Office Equipment	0.98	0.62		1.60	0.30	0.40		0.70	0.90	0.68
	Computers and data processing units	1.57	1.35	-	2.92	0.40	0.65		1.05	1.87	1.17
	Total (A)	5.03	1,980.95	-	1,985.98	1.29	19.71	-	21.00	1,964.98	3.74
	(b) Other Intangible assets										
	Intangible assets	1.51			1.51	0.63	0.50		1.13	0.38	0.88
	Total (B)	1.51	-	-	1.51	0.63	0.50	-	1.13	0.38	0.88
	Total (A+B)	6.54	1,980.95	-	1,987.49	1.92	20.21	-	22.13	1,965.36	4.62

(B)

(₹ in lakh)

S.No	FIXED ASSETS	Gross Carrying Amount (At Cost)				Accumulated Depreciation				Net Book Value	
		As at 1st April 2018	Additions	Disposals	As at 31st March 2019	As at 1 April 2018	Depreciation charge for the period	On Disposals	As at 31st March 2019	As at 31st March 2019	As at March 31, 2018
		1	2	3	4	5	6	7	8	13	14
A	Tangible Assets (Not Under Lease)										
	Furniture and Fixtures	2.30	0.18	-	2.48	0.37	0.22	-	0.59	1.89	1.93
	Office Equipment	0.74	0.24		0.98	0.04	0.25		0.30	0.68	0.69
	Computer and Data Processing Unit	-	1.57	-	1.57		0.40		0.40	1.17	-
	Total (A)	3.03	1.99	-	5.03	0.41	0.88	-	1.29	3.74	2.62
B	Intangible assets	1.51			1.51	0.13	0.50		0.63	0.88	1.38
	Total (B)	1.51	-	-	1.51	0.13	0.50	-	0.63	0.88	1.38
	Total (A+B)	4.54	1.99	-	6.54	0.54	1.38	-	1.92	4.62	4.01

(C)

(₹ in lakh)

Title Deeds for the following Land & Building are pending for execution in the name of Company			
Sl.No	Particulars	As at 31.03.2019	As at 31.03.2018
(i)	Land At NBCC Centre, Okhla, New Delhi	1,910.65	0.00

Note 3

(₹ in lakh)

Deferred Tax Assets (Net)	Opening Balance as at 1 April 2018	Charged / (Credited) to Profit & Loss	Charged / (Credited) to Equity	Total As at 31 Mar 2019
Deferred Tax Assets				
Provision for Employee Benefits, Depreciation and Impairment Allowances				
Provision for Employee Benefits	24.67	15.68		40.35
Provision for Depreciation	(0.09)	(3.39)		(3.48)
Provision for Impairment Allowances	64.12	58.79		122.91
Total	88.70	71.08	-	159.78

Note 4

Other Non-Current Assets	As at March 31, 2019	As at March 31, 2018
Capital Advance to holding co.(Refer Note No.27 & 28)		64.31
		-
Total	-	64.31

Note 5

(₹ in lakh)

Trade Receivables	As at March 31, 2019		As at March 31, 2018	
Secured				
Unsecured:				
- Considered good (from Holding Company/Other Related Parties) (Refer Note.28)	2,591.12		2,417.85	
- Considered good (from others)	1,135.83		983.84	
- Considered doubtful	-		-	
		3,726.95		3,401.69
Impairment Allowance for :				
Unsecured, Considered good (Refer Note no. 28)	(422.09)	(422.09)	(222.32)	(222.32)
Unsecured, Considered doubtful				
Total		3,304.86		3,179.37

Note 6

(₹ in lakh)

Cash and Cash Equivalents	As at March 31, 2019	As at March 31, 2018
Balances with Banks in Current Account	36.41	47.28
Cheques in Hand		-
Bank deposits upto 3 months Maturity		
Interest Accrued on Flexi Deposits		-
Total	36.41	47.28



Note 7

(₹ in lakh)

Bank balance other than above	As at March 31, 2019	As at March 31, 2018
Other Bank Balances		
Bank deposits more than 3 months and upto 12 months Maturity *	2,259.50	3,982.24
Interest Accrued on Fixed Deposits	48.68	83.22
Total	2,308.18	4,065.46

*Fixed Deposits Receipt with Bank includes some FDR of Rs.10.91 Lakhs kept under lien towards issuance of Bank Guarantee in favour of various clients against advance received (Refer Note 16)

Note 8

(₹ in lakh)

Other Financial Assets	As at March 31, 2019	As at March 31, 2018
Advance recoverable from Staff	3.82	3.74
Unbilled Revenue		
Other Current Assets		
Security Deposit with Holding Co. (Refer Note No. 28)	-	1.65
EMD	19.16	4.16
Amount Recoverable		
Holding Company	250.73	32.44
Others Recoverable	86.15	108.19
Total	359.86	150.18

Note 9

(₹ in lakh)

Current Tax Assets (Net)	As at March 31, 2019		As at March 31, 2018	
Advance Income Tax			-	
Unsecured, considered good	450.26		-	
Less: Provision For Taxation	(413.78)		-	
		36.47		-
		36.47		-
Total	36.47		-	

Note 10

(₹ in lakh)

Current Tax Assets (Net)	As at March 31, 2019		As at March 31, 2018	
Advances to PRWs, Suppliers & Others				
-Advance/ Financial Assistance to Contractor				
- Secured Considered Good	-		-	
- Unsecured Considered Good	19.67		4.10	
-Doubtful			-	
Less: Provision		19.67	-	4.10
Unbilled Revenue		-		-
Prepaid Expense	0.12			
Balance With Govt Authorities	457.87	457.99		189.03
Total		477.66		193.13

Note 11

(₹ in lakh)

Share Capital	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Authorised:				
Equity Shares of Rs. 10/- each (Previous Year Rs.10/- each)	5,000,000	500.00	5,000,000	500.00
Issued ,Subscribed & Paid up				
Fully paid up Equity Shares of Rs.10/- each (Previous Year Fully Paid Equity Shares of Rs.10/- each)	2,000,000	200.00	2,000,000	200.00
Total	2,000,000	200.00	2,000,000	200.00

Note 11 A

(₹ in lakh)

Share Capital	Equity Shares			
	As at March 31, 2019		As at March 31, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,000,000	200.00	2,000,000	200.00
Add : shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	2,000,000	200.00	2,000,000	200.00

Note 11 B

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.

Note 11 C

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

(₹ in lakh)

Name	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Percentage	No. of Shares	Percentage
All Shares are held by Holding Co. i.e NBCC (India) Limited and its nominees	2,000,000	100%	2,000,000	100%

Note 12
Equity Share Capital

(₹ in lakh)

Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital during the year	Redemption of equity share capital during the year	Balance at the end of reporting period
Balance as at 1 April 2017	200.00	-	-	200.00
Balance as at 31 March 2018	200.00	-	-	200.00
Balance as at 31 Mar 2019	200.00	-	-	200.00

Other equity	Share application money pending allotment	Reserves and Surplus		Other comprehensive income - Reserve	Total
		General reserve	Retained Earnings		
Balance as at 1 April 2017	-	-	1,276.06	-	1,276.06
Profit for the year	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
Dividends paid including Dividend Distribution tax	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Balance as at 31 March 2018	-	-	1,276.06	-	1,276.06
Profit for the year	-	-	863.08	-	863.08
Other Comprehensive Income	-	-	-	-	-
Interim Dividend paid	-	-	-	-	-
Dividend Distribution tax	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Balance as at 31 March 2019	-	-	2,139.14	-	2,139.14

For and on behalf of the Board of Directors

 Sd/-
(N K Shah)
 Chairman
 DIN:07444898

 Sd/-
(Rakesh Gupta)
 Director
 DIN:08094064

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

 Sd/-
(M C Sharma)
 C E O

 Sd/-
(Amarnath Mourya)
 C F O

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

 Sd/-
(ARUN MALHOTRA)
 Partner
 Membership No. 81452

 Place : New Delhi
 Date : May 10, 2019

Note 13
Equity Share Capital

(₹ in lakh)

Non Current Liabilities	As at March 31, 2019	As at March 31, 2018
Other Financial Liabilities		
Security Deposit	390.12	60.30
	-	-
Total	390.12	60.30

Note 14

(₹ in lakh)

Trade Payables	As at March 31, 2019	As at March 31, 2018
Due to Micro, Small and Medium Enterprises	-	-
Due to others	-	-
- Trade Payables for Material/Supplies	-	-
- Trade Payables for Works & Services	2,788.05	4,064.46
Total	2,788.06	4,064.46

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.

Note 15

(₹ in lakh)

Other financial liabilities (Current)	As at March 31, 2019	As at March 31, 2018
Earnest Money & Security Deposits	492.86	761.21
Other Payables	94.42	128.97
Dividend payable	-	-
Audit Fees Payable	-	-
Total	587.29	890.18

Note 16

(₹ in lakh)

Other Current Liabilities	As at March 31, 2019	As at March 31, 2018
Statutory Dues payable	249.64	132.00
Advance from Clients	1,225.87	256.32
Amount Received in Advance	-	-
Amount Payable to Holding Co. for Purchase of Property (Refer Note 28)	940.31	-
Other Payables to Holding Company (Refer Note 28)	34.63	728.87
Total	2,450.44	1,117.19

* The bank guarantees submitted against Advance from clients of Rs. 10.91 Lakhs (Refer Note 7)

Note 17

(₹ in lakh)

Provisions-Current	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits	-	-
- Performance Related Pay/Productivity Linked Incentive	93.54	85.57
Total	93.54	85.57

Note 18

(₹ in lakh)

Current Tax Liabilities (Net)	As at March 31, 2019	As at March 31, 2018
Provision for Taxation	-	-
Unsecured, considered good	-	892.28
Less:Advances Taxes/Tax Deducted	-	(792.99)
	-	99.29
Dividend Distribution Tax	-	-
Total	-	99.29



Note 19

(₹ in lakh)

Revenue from Operations	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Value of Services		
Value of Work Done (Project Management & Supervision Services)	12,580.87	8,597.61
b) Other Operating Revenue		
Tender Fee & Other Receipts	57.67	39.73
Credit balance written back	30.51	
Total	12,669.05	8,637.34

Note 20

(₹ in lakh)

Other Income	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Interest Income		
(i) From Banks	167.00	211.67
(ii) From Contractors	2.85	11.36
(iii) On Income Tax Refund		-
	169.85	223.03
Total	169.85	223.03

Note 21

(₹ in lakh)

Cost of Work and Consultancy Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Cost of Work Expenses (without material)		
Cost of Work Expenses (with material)	10,514.63	6,697.59
Consultancy Expenses	26.96	25.60
Total	10,541.59	6,723.19

Note 22

(₹ in lakh)

Employee Benefits Expense	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Salaries and incentives	668.16	594.64
Contributions to Provident and other fund	48.67	39.84
Contribution for Pension	30.70	21.48
Gratuity fund contributions	18.64	17.54
Post Retirement Medical Benefit	23.99	25.97
Leave Encashment	42.74	40.11
Staff welfare expenses	2.91	4.40
Total	835.82	743.99

Note 23

(₹ in lakh)

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Advertisement		-
Auditor's Remuneration	2.69	2.00
Bank charges & Guarantee Commission	1.20	-
Conference & Management Development Expenses	6.38	2.27
CSR Expenditure	20.26	12.67
Legal & Professional Charges	12.34	3.12
Postage & Telephone	1.79	2.08
Printing & Stationery	2.64	2.21
Other Audit fees	1.65	
Rent, Rates & Taxes	2.68	3.30
Repairs & Maintenance		-
- Others	9.17	13.81
Travelling & Conveyance	9.59	6.26
Impairment Allowances for Trade Receivables	199.77	222.32
Miscellaneous Expenses	0.99	0.20
debit balance write offs	26.45	-
Total	297.58	270.24

Note 23 A

(₹ in lakh)

Other Expenses	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Audit fee	1.30	1.00
Tax Audit	0.39	0.25
Limited Review	1.00	0.75
Total	2.69	2.00

Note 24

(₹ in lakh)

Income tax	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Tax expense comprises of:		
Current income tax	413.78	477.28
Deferred tax	(71.08)	(52.29)
Total	342.70	425.00

Note 25

Earnings per share ("EPS"):

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



(₹ in lakh)

Income tax	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Profit attributable to equity holders of the Company:		
Continuing operations	863.08	696.56
Discontinued operation	-	-
Profit attributable to equity holders of the Company for basic earnings	863.08	696.56
Profit attributable to equity holders of the Company adjusted for the effect of dilution	863.08	696.56
Weighted average number of Equity shares for basic EPS*	2,000,000	2,000,000
Earnings per equity share (for continuing operation):		
(1) Basic	43.15	34.83
(2) Diluted	43.15	34.83

Note 26

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. 23.

Note 27

The Approved capital expenditure for purchase of office premises in NBCC Centre, Okhla, New Delhi from the holding company ad measuring 7934 sq.ft., containing 7 Units from Unit No G-1 to G-7, at a total cost of Rs. 19.89 cores excluding stamp duty, registration charges. The approval of Ministry of Housing & Urban Affairs regarding "Allotment of Commercial Built Up Space at GF Admesuring 4187 Sq Ft of NBCC Centre Okhla, Phase-1, New Delhi" received on 25.6.2019. Out of the above, the company has received allotment letter vide ref no NBCC/REM/OKHLA/AL/2018/1823 dated 25.09.2018 for Unit No G1 and G2 and provisional allotment vide ref no NBCC/REM/OKHLA/AL/2018/1824 dated 28.09.2018 for Unit No G3 to G7. Out of total payment of Rs. 19.89 Cr, Rs. 9.51 Cr is payable to NBCC India Ltd. Title deed in the name of Company is yet to be executed, however, the amount is recognised in the books as Fixed Assets as the company is in possession of all the units.

Note 28

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

- (a) Holding Company
NBCC (INDIA) Limited
- (b) NBCC Engineering and Consultancy Limited ("NECL") -Subsidiary of holding Company.
- (c) Key Managerial Personnel:
 - (a) Mr. N K Shah, Director
 - (b) Ms. B.K Sokhey, Director
 - (c) Mr. Rakesh Gupta, Director
 - (d) Ms. A . Sabeena, CEO, ceases to CEO w e f May 2018
 - (e) Ms M C Sharma, CEO w e f May 2018
 - (f) Mr. Amarnath Mourya, CFO

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

- (a) NBCC (INDIA) Limited- Holding Company

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Nature of Transaction		
Opening Balance	2,412.24	1,874.57
Add: Service rendered	2,247.26	3,377.00
Less: Rent Paid	(2.59)	(3.50)
Less trt to employee benefits		475.52
Less: Amount Received/Adjusted/Advances/TDS (Net)	(2,074.16)	(3,311.35)

Particulars	For the year ended on March 31, 2019	For the year ended on March 31, 2018
Receivable/(payable) (Refer Note No. 5)	2,582.75	2,412.24
Amount Recoverable (refer Note 8)	250.73	32.44
Advance Received (refer Note 16)		(56.18)
Receivable/(payable) at the end of the period	2,833.48	2,388.50
Amt Payable for Property Purchase	(940.31)	
(ii) Employee benefit and other payable		
Opening Balance	(728.87)	(68.51)
Less: Amount adjusted from operations		(475.52)
Less: Amount adjusted/paid	939.97	68.51
Add: Amount payable for fixed contribution	(85.38)	(86.28)
Add: Amount payable to Employee Benefit and Others	(160.35)	(167.07)
Receivable/(payable) at the end of the period (Refer Note 16)	(34.63)	(728.87)
Net Receivable/(Payable)	1,858.54	1,659.63
Capital Advance (refer Note 4)	-	64.31
Impairment allowance (refer Note 5)	422.09	222.32
Security Deposit (refer Note 8)	-	
Opening Balance	1.65	1.65
Less: Amount adjusted	1.65	-
Closing Balance		1.65

(b) NECL

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the Year ended on March 31,2018
Opening Balance	5.61	(0.64)
Service rendered	8.03	14.02
Less: Amount received/adjusted/TDS	5.09	7.78
Less: Services Received	0.18	-
Net Receivable/(Payable) (Refer Note No. 5)	8.37	5.61

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

(₹ in lakh)

Particulars	For the year ended on March 31, 2019	For the Year ended on March 31,2018
Salaries and Incentives	67.19	53.97
Contribution for provident fund & pension fund	6.46	4.83
Other Employee Benefits	7.44	5.58
Total	81.09	64.38



Details relating to the payment to Key Managerial Personnel (KMP)

(₹ in lakh)

Key Managerial Personnel	Short Term Employee Benefits	Post Employment Benefits	Other Long Terms Employee Benefits	Total Remuneration	Sitting Fees	O/s Loans (Gross / Advance Receivables)
SMT A SABEENA	2.26	0.27	0.32	2.85	0.00	0.00
SHRI M C SHARMA	42.34	3.93	4.50	50.77	0.00	0.00
SHRI A MOURYA	22.59	2.26	2.62	27.47	0.00	0.00
Total	67.19	6.46	7.44	81.09	0.00	0.00

NOTE 29

Indian Accounting Standard-108 "Segment Reporting"

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

NOTE 30

The reconciliation of Goods and Service Tax (GST) as per financial books with GST returns filed with the authorities is under preparation. The adjustment, if any, arising out of the reconciliation shall be carried out in the subsequent period, which in the opinion of the management will not have a material impact.

NOTE 31

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

NOTE 32

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

NOTE 33

During the earlier year, one of the clients had raised a claim on the company for recovery of Rs. 95.60 Lakhs for short deployment of personnel by the contractor and adjustment from the pending payments to the company, though the company had recovered the said amount from the contractor. The company had referred the said matter to Chief Vigilance Officer ("CVO") to examine irregularities, if any with regard to processing of the bills by the officials, the matter is still under investigation.

NOTE 34

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

NOTE 35

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

Particulars	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Profit Before Tax From Continuing Operation	1,143.70	1,121.56
Accounting Profit Before Income Tax	1,143.70	1,121.56
Statutory Income Tax Rate	29.12%	34.61%
Income Tax	333.05	388.15
Tax Effect Due to Non Taxable Income	0.00	0.00

Particulars	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Effect of Tax Incentive	0.00	0.00
Effect of Non Deductible Expenses	80.74	89.14
Additional Deduction of Research and Development Expense	0.00	0.00
Effect Due to Change in Deferred Tax Rate	(71.08)	(52.29)
Tax in respect of Earlier Years	(62.07)	0.00
Tax Expense	280.63	425.00
Actual Tax Expense	280.63	425.00
Effective Tax Rate	24.54%	37.89%

NOTE 35 B

DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY

The disclosure in respect of CSR Expenditure is as under:

- (a) Gross amount required to be spent by the company during the year.
(b) Amount spent during the year on:

Particular	In cash	*Yet to be paid in cash	Total	In cash	*Yet to be paid in cash	Total
Construction/acquisition of any asset						
Donation to Swachh Bharat Kosh	6.68	-	6.68	4.18	-	4.18
Donation to Swachh Kumbh Kosh, Prayagraj Mela Pradhikaran	13.58	-	13.58			
Donatio to Red Cross Society For Purchase of Ambulance				8.49	-	8.49

NOTE 36

Description	Balance as on 31 March 2018	Adjustment as per Ind AS 115	Balance as on 1 April 2018
Equity		0	
Retained earning	1,276.06	-	1,276.06
Description	Balance as on 31 March 2019	Adjustment as per Ind AS 115	Balance as on 31 March 2019
Assets			
Accounts receivable	3,304.86	-	3,304.86
Inventory	-	-	-
Deferred tax assets	159.78	-	159.78
Unbilled revenue	-	-	-
Security deposit	-	-	-
Liabilities			
Advance from customers	1,225.87	-	1,225.87
Deferred tax liabilities	-	-	-
Security deposit	724.39	-	724.39
Revenue received in advance	-	-	-
Other payables	94.42	-	94.42
Equity			
Retained earning	2,139.14	-	2,139.14

Significant changes in contract assets and liabilities



Contract liabilities - Advance from customers	31 March 2019
Opening balance of Contract liabilities - Advance from customers	731.84
Less: Amount of revenue recognised against opening contract liabilities	718.34
Add: Addition in balance of contract liabilities for current year	1,212.37
Closing balance of Contract liabilities - Advance from customers	1,225.87

Contract liabilities - Deferred income	31 March 2019
Opening balance of Contract liabilities - Revenue received in advance	-
Add: Amount of revenue recognised reversed on Transition	-
Less: Amount of revenue recognised against opening contract liabilities	-
Add: Addition in balance of contract liabilities for current year	-
Closing balance of Contract liabilities - Revenue received in advance	-

Contract liabilities - Security deposit	31 March 2019
Opening balance of Contract liabilities - Security deposit	670.20
Less: Amount of unwinding on Transition	
Less: Amount of unwinding reversed during the year	
Less : Deletion in balance of contract liabilities for current year	277.34
Add: Addition in balance of contract liabilities for current year	331.53
Closing balance of Contract liabilities - Security deposit	724.39

Contract assets - Unbilled revenue	31 March 2019
Opening balance of Contract assets - Unbilled revenue	-
Add: Amount of revenue recognised on Transition	
Less: Amount of unbilled revenue transferred to trade receivables	-
Add: Addition in balance of contract assets for current year	-
Closing balance of Contract assets - Unbilled revenue	-

Contract assets - Unbilled revenue	31 March 2019
Opening balance of Contract assets - Security deposit	-
Less: Amount of unwinding reversed during the year	-
Add: Addition in balance of contract assets for current year	-
Closing balance of Contract assets - Security deposit	-

Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	Year ended 31 March 2019
Amounts included in contract liabilities at the beginning of the year	-
Performance obligations satisfied in previous years	-

Disaggregation of revenue

There is only stream of revenue from operations i.e. sale of service though engineering, procurement and construction. Same has been disclosed below:

Description	Sale of service
Revenue from contract with customer	12,669.05
Other revenue	
	12,669.05

Assets and liabilities related to contracts with customers

Description	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Contract assets related to sale of service				
Unbilled revenue	-	-	-	-
Security deposit, if any	-	-	-	-
Contract liabilities related to sale of service				
Advance from customers	-	1,225.87	-	-
Revenue received in advance	-	-	-	-
Security deposit, if any	-	-	-	-

Performance obligation of the Company

- The company classifies the right to consideration in exchange for deliverables as either as non-interest bearing receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue from PMC contracts are recognized upon satisfaction of Performance obligation. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of the contract. In case of contracts which are in nature of cost plus contracts/fixed contracts, revenue is recognised on the basis of percentage completion method and the consideration is to be recognised at transaction price/fair value. For Project Management and supervision related services, revenue is recognized over time as the customer receives and uses the benefits as the Company performs its obligation. Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet. Performance obligations and remaining performance obligations. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Remaining performance obligation estimates are subject to change and are affected by several factors, such as changes in the scope of contracts, periodic revalidations, terminations, adjustment for revenue that has not materialized and adjustments for exchange rates.
- The Company has aligned its policy of revenue recognition with Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018. Consequent upon withdrawal of Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable), issued in May 2016 in Real Estate Segment and restructuring of performance obligations in PMC segment, the net cumulative impact of initial application of Ind AS 115 upto March 31, 2018 aggregating to NIL has been appropriated against the retained earnings as at the initial adoption date, as permitted by the standard. Had the company recognised the revenue based on Ind AS 11 and Ind AS 18, the revenue would have been lowered by ` NIL & profit would have been increased by ` NIL respectively for the quarter ending 31.03.2019 & revenue & profit would have been lowered by NIL & NIL respectively for the 12 months ended 31.03.2019. The comparative information is not restated in the financial results.

NOTE 37

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2019 by nature and contract-type:

Disaggregation of Revenue By:	Types of Services by Nature	PMC
Type of Contract	Cost plus contracts	11,512.72
	Fixed Price Contracts	1,068.14
Total		12,580.86
Timing of Satisfaction of Performance obligation	Over the period of time	12,580.86
	At a point of time	
Total		12,580.86
Method of Measurement of Performance obligation	Input Method	12,580.86
	Output Method	
	Stand-alone selling price	
Total		12,580.86

NOTE 38

Under Indian GAAP, the Company create provision for Trade Receivable in respect of specific amounts based on management estimate of recoverability. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss Model (ECL) for Trade Receivables. During the Year the Company has created the provision of Rs.199.77 Lakhs (Previous Year Rs.222.32 Lakh) against Trade Receivables.

Financial Assets and Liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

Financial instruments by category

(₹ in lakh)

	Note	As at March 31, 2019			As at March 31, 2018		
		FVTPL	Amortised cost	Fair Value	FVTPL	Amortised cost	Fair Value
Financial assets							
Trade receivables	Note 5	-	3,304.86	3,304.86	-	3,179.37	3,179.37
Cash and cash equivalents	Note 6	-	36.41	36.41	-	47.28	47.28
Other Bank Balances	Note 7	-	2,308.18	2,308.18	-	4,065.46	4,065.46
Other financial assets	Note 8	-	359.86	359.86	-	150.18	150.18
Total financial assets		-	6,009.31	6,009.31	-	7,442.30	7,442.30

	Note	As at March 31, 2019		As at March 31, 2018	
		FVTPL	Amortised cost	FVTPL	Amortised cost
Financial liabilities					
Trade payables	Note 14	-	2,788.06	-	4,064.48
Other financial liabilities	Note 15	-	587.29	-	890.18
Total financial liabilities		-	3,375.35	-	4,954.66

The carrying amount of the financial assets and liabilities carried amortised cost is considered a reasonable approximation of fair value.

Financial risk management

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

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(i) Credit risk management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

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

Asset group	Basis of categorisation	Provision for expenses credit loss
Moderate credit risk	Cash and cash equivalents, other bank balances and other financial assets	12 month expected credit loss
	Trade receivables	Life time expected credit loss
High credit risk	Trade receivables and other financial assets	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions

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

(₹ in lakh)

Credit rating	Particulars	As at March 31, 2019	As at March 31, 2018
A: Low credit risk	Cash and cash equivalents, other bank balances and other financial assets	6,009.31	7,442.30
B: Moderate credit risk		-	-
C: High credit risk		-	-

Concentration of trade receivables

The Company's major exposure to credit risk for trade receivables is towards projects transferred by Holding Company i.e. NBCC (India) Limited.

Credit risk exposure

Provision for expected credit losses

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets –

Expected credit loss for trade receivables amounting to ₹ 284.30 lakhs (on the projects transferred by holding co.) under simplified approach as adopted by holding co.

As at March 31, 2019

(₹ in lakh)

Particulars	Estimated gross carrying amount at default	Impairment	Carrying amount net of impairment provision
Cash and cash equivalents	36.41	-	36.41
Other bank balances	2,308.18	-	2,308.18
Other financial assets	359.86	-	359.86
Trade Receivables	3,726.95	422.09	3,304.86

As at March 31, 2018

(₹ in lakh)

Particulars	Estimated gross carrying amount at default	Impairment	Carrying amount net of impairment provision
Cash and cash equivalents	47.28	-	47.28
Other bank balances	4,065.46	-	4,065.46
Other financial assets	150.18	-	150.18
Trade Receivables	3,401.69	222.32	3,179.37

Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents which is generated from cash flow from operations. The Company has no outstanding bank borrowings. The Company considers that the cash flows from operations are sufficient to meet its current liquidity requirements.

Maturities of financial liabilities

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

(₹ in lakh)

As at March 31, 2019	Up to one year	More than one year	Total
Trade payable	2,788.06	-	2,788.06
Other Financial liabilities	587.29	-	587.29

As at March 31, 2018	Up to one year	More than one year	Total
Trade payable	4,064.48	-	4,064.48
Other Financial liabilities	890.18	-	890.18

Capital management

The Company's objectives when managing capital are to:

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

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

The amounts managed as capital by the Company are summarised as follows:

(₹ in lakh)

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Share Capital	200.00	200.00
Other Equity	2,139.14	1,276.06
Total Equity	2,339.14	1,476.06

The Company has no outstanding debt as at the end of the respective years. Accordingly, the Company has nil capital gearing ratio as at 31 March 2017, 31 March 2016 and 1 April 2015.

Dividend and reserves

(₹ in lakh)

Distribution Made and Proposed	As at March 31, 2019	As at March 31, 2018
Cash Dividends on equity share declared and paid	-	-
Final Dividend	-	-
DDT on Final Dividend*	-	-
Proposed Dividend including DDT	-	397.18
Total	-	397.18

Proposed dividend of Rs. 17.50 per share on face value of Rs. 10 per share

NOTE 39

Previous year/period figures have been regrouped/ recast/ rearranged wherever deemed necessary to conform to current year's classification.



NBCC SERVICES LIMITED

(A wholly owned subsidiary of NBCC (India) Limited)
CIN-U74900DL2014GOI272532

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

E-mail: nsl@nbccindia.com | Website: www.nslindia.in | Tel : 011 - 24367314 - 17, 24367573

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain addition Slip at the venue of the meeting

DP ID*	Folio No.
Client ID*	No. of shares

Name and address of the shareholders.....

I hereby record my presence at the 5th ANNUAL GENERAL MEETING of the Company held on **Monday, September 09, 2019 at 10.00 a.m. at Conference Hall, NBCC Bhawan, Lodhi Road, New Delhi-110003.**

.....
Signature of Member/Proxy

* Applicable for investors holding shares in electronic form

.....



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PROXY FORM

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

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

- Resident of.....having e-mail idor failing him
- Resident of.....having e-mail idor failing him
- Resident of.....having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **5th ANNUAL GENERAL MEETING** of the Company to be held on **Monday, September 09, 2019 at 10.00 a.m. at Conference Hall, NBCC Bhawan, Lodhi Road, New Delhi-110003** and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	For	Against
1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon.		
2. To declare a Dividend of ₹ 17.50 per paid up equity shares of ₹ 10/- each for the financial year ended March 31, 2019.		
3. To appoint a Director in place of Smt. B. K. Sokhey (DIN 06955670), who retires by rotation and being eligible, offers herself for re-appointment.		
4. To authorize Board of Directors to fix the remuneration of Statutory Auditor(s) of the Company for the financial year 2019-20.		

Signed thisday of 2019

Signature of Shareholder.....

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

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 5th 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

Affix
Revenue
Stamp



NBCC SERVICES LIMITED

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