

K. P. RAO  
K. VISWANATH  
DESMOND J. REBELLO  
H.N. ANIL  
MOHAN R LAVI  
K.P. SIDDHARTH  
V. NARAYANAN  
S. PRASHANTH  
P. RAVINDRANATH

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## **INDEPENDENT AUDITOR'S REPORT**

To  
**The Members of  
NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **NCC International Convention Centre Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flow for the year then ended and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

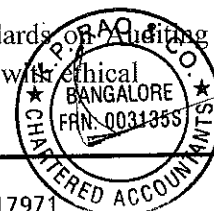
The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.

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

### **Auditor's Responsibility**

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

We conducted our audit of the financial statements in accordance with the Standards specified under Section 143(10) of the Act. Those Standards require that we comply with



### **Branches**

**Mysore** : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971

**Chennai** : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

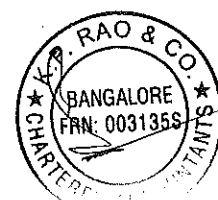
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

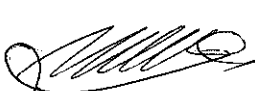
### **Report on Other Legal and Regulatory Requirements**

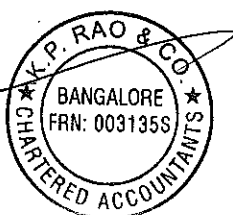
- A. As required by the Companies (Auditor's Report) Order, 2016, ('the Order'), issued by the Central Government of India in terms of Sub-section 11 of Section 143 of the Act, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- B. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow Statement and the Statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India.



- e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 11 to the financial statements.
  - ii. The Company has no long term contracts, including derivative contracts, for which there were any material foreseeable losses.
  - iii. There were no amounts that were required to be transferred to the Investor Education & Protection Fund by the Company.

For K.P.Rao & Co.,  
Chartered Accountants  
Firm's Registration No.: 003135S

  
K. Viswanath  
Partner  
Membership No.: 022812

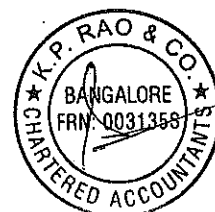


Place: Hyderabad  
Date: May 08, 2018

**ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
FINANCIAL STATEMENTS OF NCC INTERNATIONAL CONVENTION CENTRE  
LIMITED**

We report that;

1. According to the information and explanations given to us, the Company does not hold any fixed assets. Accordingly, the provisions of clause 3(i) (a) and (b) of the Order are not applicable to the company.
2. In respect to inventories, the Company does not hold any inventories. Accordingly reporting under clause (ii) of paragraph 3 is not applicable.
3. a) According to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and accordingly reporting under clause (iii) of paragraph 3 of the Order is not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has not advanced any loan to any director, given any guarantee, provided any security in connection with any loan taken by any director or made investment through more than two layers of investment companies. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
6. According to the information and explanation given to us, the provisions of sub-section 1 of section 148 of the Companies Act, 2013 and rules made thereunder relating to maintenance of Cost Records are not applicable to the company for the year under audit. Accordingly reporting under clause (vi) of paragraph 3 is not applicable.
7. a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities.  
  
b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess, which have not been deposited on account of any dispute
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its dues to Banks & Financial Institutions.



9. The Company has not raised any monies, during the reporting period, by way of initial public offer or further public offer. The Company has not raised any monies, by way of term loans during the year.
10. According to the information and explanations given to us, no fraud by, or by its officers or employees on the Company has been noticed or reported during the year.
11. According to the information and explanation given to us and based on our examination of the records of the company, managerial remuneration has been paid/provided during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company. Accordingly, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the reporting period. Accordingly, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.
15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with any directors or persons connected with him. Accordingly, reporting under clause (xv) of paragraph 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For K.P.Rao & Co.,**  
Chartered Accountants

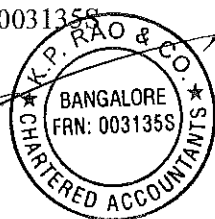
Firm's Registration No. 0031358

**K. Viswanath**  
Partner

Membership No. 022182

Place: Hyderabad

Date: May 09<sup>th</sup>, 2018



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

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

We have audited the internal financial controls over financial reporting of **NCC International Convention Centre Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

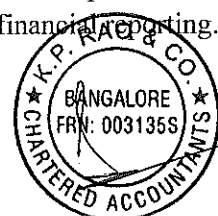
**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating 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 Company's internal financial controls system over financial reporting.



**Meaning of Internal Financial Controls over Financial Reporting**

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 K.P.Rao & Co.,**

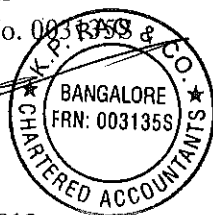
Chartered Accountants

Firm's Registration No. 003

  
**K. Viswanath**

Partner

Membership No. 022812



Place: Hyderabad

Date: May 08, 2018

**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2018**

All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No	As At March 31, 2018	As At March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Financial Assets:</b>			
(i) Cash and Cash equivalents	3	0.39	0.42
(ii) Other Non-Current Assets	4	-	-
<b>Total Assets</b>		<b>0.39</b>	<b>0.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	5	100.00	100.00
(b) Other Equity	6	(99.94)	(99.75)
		<b>0.06</b>	<b>0.25</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Other non-current liabilities	7	0.32	0.17
		<b>0.32</b>	<b>0.17</b>
<b>Current liabilities</b>			
<b>Total Equity and Liabilities</b>		<b>0.39</b>	<b>0.42</b>
Corporate information and significant accounting policies	1 & 2		

Accompanying notes forming part of the financial statements

As per our Report of even date attached

for K.P.Rao & Co

Chartered Accountants

FRN: 003135S

K.Viswanath

Partner

Membership No. 022812

Place: Hyderabad

Date: 08-5-2018



For and on behalf of the Board

Raghu Varma Alluri

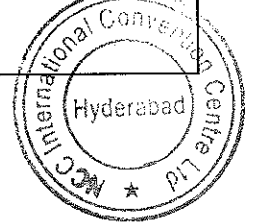
Director

DIN: 01033094

Ravindranath Ratho

Director

DIN: 00076468





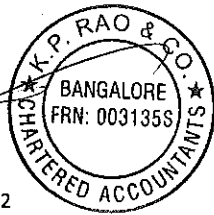
**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2018**  
 All Amounts in Rupees in Lakhs unless otherwise stated

	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
Other income		-	
<b>Total Income</b>		-	
<b>Expenses:</b>			
Other expenses	8	0.18	0.18
Provision for Advances		-	500.00
<b>Total expenses</b>		<b>0.18</b>	<b>500.18</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(0.18)</b>	<b>(500.18)</b>
Exceptional items			
<b>Profit/(loss) before Tax</b>		<b>(0.18)</b>	<b>(500.18)</b>
Tax expenses:			
(1) Current tax		-	
(2) Deferred Tax		-	
<b>Profit (Loss) for the year</b>		<b>(0.18)</b>	<b>(500.18)</b>
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss		-	
B. Items that will be reclassified to profit or loss		-	
<b>Total Comprehensive Income for the period (comprising Profit(Loss) and Other comprehensive Income for the period)</b>		<b>(0.18)</b>	<b>(500.18)</b>
Earnings per equity share:			
(1) Basic & Diluted	14	(0.02)	(50.02)

Accompanying notes forming part of the financial statements  
 As per our Report of even date attached

for K.P.Rao & Co  
 Chartered Accountants  
 FRN: 003135S

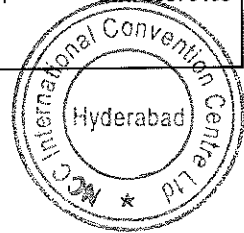
K.Viswanath  
 Partner  
 Membership No. 022812  
 Place: Hyderabad  
 Date: 08-05-2018



For and on behalf of the Board

*R.V. Alluri*  
 Raghu Varma Alluri  
 Director  
 DIN: 01033094

*Ravindranath Ratho*  
 Ravindranath Ratho  
 Director  
 DIN: 00076468



**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2018**  
 All Amounts in Rupees in Lakhs unless otherwise stated

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Cash Flow from Operating Activities:</b>		
Net Profit before Tax	(0.18)	(500.18)
Adjustment for:		
Provision for advances	-	(500.00)
Operating Profit before Working Capital Changes	(0.18)	(0.18)
Movements in Working Capital :		
Increase/(decrease) in other current liabilities	0.15	-
<b>Net Cash from Operating activities: (A)</b>	<b>(0.03)</b>	<b>(0.18)</b>
<b>Cash Flow from Financing Activities:</b>		
Proceeds from Borrowings	-	-
<b>Net Cash from Financing activities ( C)</b>	<b>-</b>	<b>-</b>
Cash and Cash Equivalents -Opening Balance	0.42	0.60
<b>Net change in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.03)</b>	<b>(0.18)</b>
Cash and Cash Equivalents -Closing Balance	0.39	0.42

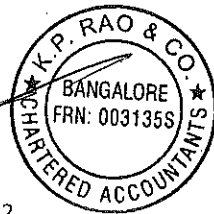
- Note:
- 1) The Cash Flow Statement is prepared in accordance with the indirect Method stated in Indian Accounting Standards(Ind AS) 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.
  - 2) Cash and Cash Equivalents comprises of cash and bank balances.
  - 3) Figures in bracket represent cash outflows.
  - 4) Notes on accounts stated are an integral part of Cash Flow Statement

Accompanying notes forming part of the financial statements  
 As per our Report of even date attached  
 for **K.P.Rao & Co**

Chartered Accountants  
 FRN: 003135S

**K.Viswanath**  
 Partner  
 Membership No. 022812

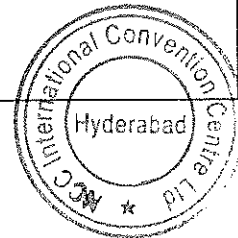
Place : Hyderabad  
 Date : 08-05-2018



For and on behalf of the Board

**Raghu Varma Alluri**  
 Director  
 DIN: 01033094

**Ravindranath Ratho**  
 Director  
 DIN: 00076468



**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

**Statement of Changes in Equity for the period ended March 31, 2018**

All Amounts in Rupees in Lakhs unless otherwise stated

**Equity Share Capital**

Description	Number of Shares	Amount
Balance as at March 31, 2016	10	100
Add: Equity shares allotted during the period	-	-
Balance as at March 31, 2017	10	100
Add: Equity shares allotted during the period	-	-
Balance as at March 31, 2018	10	100

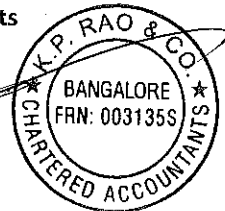
**Other Equity**

Description	Retained Earnings	Instruments Equity in Nature	Total
Balance as at March 31, 2016	(65.43)	465.85	400.42
Profit and loss for the year	(500.18)	-	(500.18)
Balance as at March 31, 2017	(565.61)	465.85	(99.76)
Profit and loss for the year	(0.18)	-	(0.18)
Balance as at March 31, 2018	(565.79)	465.85	(99.94)

As per our Report of even date attached

for K.P.Rao & Co.  
Chartered Accountants  
FRN: 003135S

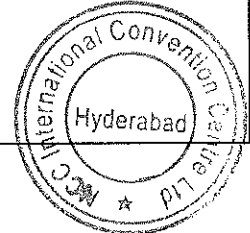
K.Viswanath  
Partner  
Membership No. 022812



*Raghu Varma Alluri*  
Raghu Varma Alluri  
Director  
DIN: 01033094

*Ravindranath Ratho*  
Ravindranath Ratho  
Director  
DIN: 00076468

Place: Hyderabad  
Date: 08-05-2018



**NCC International Convention Centre Limited**  
**Notes forming part of the financial statements**

**1. Corporate Information**

NCC International Convention Centre (the Company) was incorporated for Development of Andhra Pradesh International Centre at New Delhi, on Public-Private-Partnership mode. The project was awarded by Government of Andhra Pradesh / Infrastructure Corporation of Andhra Pradesh (INCAP) to Consortium of M/s NCC Limited and NCC Infrastructure Holdings Limited vide Letter of Award dated 06.10.2008.

**2. Significant Accounting Policies**

**2.1 Statement of compliance:**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable.

**2.2 Basis of preparation and presentation**

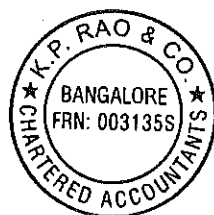
The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and



**NCC International Convention Centre Limited**  
**Notes forming part of the financial statements**

**2.3 Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**2.4 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**2.4.1 Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

**Classification of financial assets:**

**Financial assets at fair value through profit or loss (FVTPL):**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the

**Derecognition of financial assets :**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds

**2.4.2 Financial liabilities and equity instruments**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

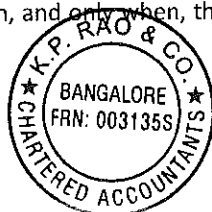
Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled



or have expired.

**NCC International Convention Centre Limited**  
**Notes forming part of the financial statements**

**2.5 Provisions, contingent liabilities and contingent assets**

Provisions are recognised only when there is a present obligation as a result of past events and when a reasonable estimate of the amount of obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liabilities are disclosed for (i) possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

**2.6 Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

**2.7 Earnings per Share**

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the period/year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.



**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

Notes to the financial statements for the period ended March 31, 2018

All Amounts in Rupees in Lakhs unless otherwise stated

Note No. 3		
Cash and cash equivalents		
	As at March 31, 2018	As at March 31, 2017
Balances with banks in current account	0.39	0.42
<b>Total</b>	<b>0.39</b>	<b>0.42</b>

Note No. 4		
Other Current Assetss		
	As at March 31, 2018	As at March 31, 2017
<b>Others:</b>		
Advances recoverable in cash or in kind or for value to be received (Refer Note No.11)	500.00	500.00
Less: Provision for advances(Refer Note No 12)	(500.00)	(500.00)
<b>Total</b>	<b>-</b>	<b>-</b>



**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

Notes to the financial statements for the period ended March 31, 2018

All Amounts in Rupees in Lakhs unless otherwise stated

Note No. 5 Share capital	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
	<b>a) Authorised</b>			
Equity Shares of Rs.10/- each	1,000,000	100	1,000,000	100
<b>b) Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of Rs.10/- each	1,000,000	100	1,000,000	100
<b>Total</b>	<b>1,000,000.00</b>	<b>100.00</b>	<b>1,000,000.00</b>	<b>100.00</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the reporting period	1,000,000	100	1,000,000	100
Shares Issued during the period	-	-	-	-
Shares outstanding at the end of the reporting period	1,000,000	100	1,000,000	100

**(b) Rights, preferences and restrictions attached to equity shares**

The company has only one class of shares referred to as equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive surplus from sale of assets after setting off of the liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
NCC Limited (along with its Nominees)	1,000,000	100	1,000,000	100

**(d) Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
NCC Limited (along with its Nominees)	1,000,000	100.00%	1,000,000	100.00%



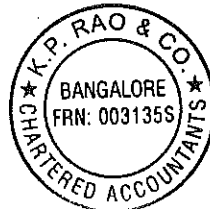


**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

Notes to the financial statements for the period ended March 31, 2018

All Amounts in Rupees in Lakhs unless otherwise stated

Note No. 6		
Other Equity		
	As at March 31, 2018	As at March 31, 2017
Retained Earnings *		
Opening balance	(99.75)	400.43
Add: Profit/(loss) for the period	(0.18)	(500.18)
Closing Balance	(99.94)	(99.75)
* Retained Earnings represent accumulated loss and the borrowings from NCC Limited (the holding Company) aggregating to Rs. 465.85 Lakhs reclassified as Other Equity		
Note No. 7		
Other Current Liabilities		
	As at March 31, 2018	As at March 31, 2017
Other payables :		
Others	0.32	0.17
<b>Total</b>	<b>0.32</b>	<b>0.17</b>
Note No. 8		
Other Expenses		
	Year Ended March 31, 2018	Year Ended March 31, 2017
Bank charges	0.01	0.01
Audit Fee - Statutory	0.15	0.15
Filing Fees	0.02	0.02
<b>Total</b>	<b>0.18</b>	<b>0.18</b>



**NCC INTERNATIONAL CONVENTION CENTRE LIMITED**

Notes to the financial statements for the period ended March 31, 2018

All Amounts in Rupees in Lakhs unless otherwise stated

**Note No. 9**

Contingencies and Commitments : Rs. NIL (31.03.2017 Rs. NIL)

**Note No. 10****Related Party Disclosures**

(a) Following is the list of related parties and relationships

Name of the Related Party	Relationship
M/s. NCC Ltd	Holding Company
Mr. Raghu Varma Alluri	Key Managerial Personnel
Mr. Ravindranath Ratho	Key Managerial Personnel

(b) Related party transactions during the period ended March 31, 2018

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Advance received M/s. NCC Ltd	-	1.00
(ii) Credit balances as at the end of the period M/s. NCC Ltd	465.85	465.85



**Note No. 11**

The Consortium of M/s. NCC Limited and NCC Infrastructure Holdings Ltd, was awarded the Project for Development of Andhra Pradesh International Centre at New Delhi, on Public – Private – Partnership mode, by Government of Andhra Pradesh / Infrastructure Corporation of Andhra Pradesh (INCAP) vide Letter of Award dated 06.10.2008.

In pursuance of the Letter of Award, the Consortium submitted Bank Guarantee for Rs.5.00 Crores towards bid security. The Consortium also remitted an amount of Rs.5.00 Crores towards Project Development Fee and requested for remittance of balance of Project Development Fee of Rs.25.00 Crores at the time of execution of the Development Agreement and for submission of Performance Security at the time of achieving Financial Closure. In response, vide letter dated 30.10.2008, INCAP agreed for payment of Project Development Fee by the Consortium within 30 days and submission of Performance Security at the time of execution of the Development Agreement.

As the development of the said project entailed an estimated investment of Rs.1064 Crores, to avail financial assistance from Bank(s), the Consortium addressed several letters to INCAP requesting them to provide documents relating to title deeds. But, the title documents relating to the project land were not furnished by INCAP.

Subsequently, Govt. of A.P vide G.O. Ms.No.8 dated 20.02.2009 cancelled the Letter of Award (LOA) dated 06.10.2008, alleging certain defaults on the part of the Consortium. As the alleged grounds of cancellation are baseless, the Consortium challenged the said cancellation of the Project and filed Writ Petition (WP No: 3589 / 2009) before the High Court of Andhra Pradesh. During the pendency of the Writ Petition, the Govt. of Andhra Pradesh / INCAP were directed to maintain status-quo with regard to the Bank Guarantee submitted against Bid Security.

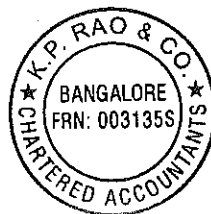
The Hon'ble Single Judge vide his Orders dated 26.06.2009 dismissed W.P.No.3589/2009. Challenging the said orders, the Consortium filed Writ Appeal (W A MP 1771 of 2009 in WA No.891/2009). As stay of operation of the orders of the Single Judge was not granted, INCAP encashed the Bank Guarantee for Rs.5.00 Crores, provided towards Bid Security.

As per the Request for Proposal, Project Development Fee has to be remitted by the Developer (Consortium) and in view of the cancellation of LOA by the Government of Andhra Pradesh, the consortium cannot be deemed to be Developer. Accordingly, the consortium filed a Writ Appeal (W A M P No 1805 / 2009 in WA no: 81 of 2009) seeking an order for refund of Project Development Fee of Rs.5.00 Crores paid to INCAP.

The appeal and the petitions are to be listed for final hearing. Based on the Legal Counsel's opinion, that the company has fair chances of success in the Writ Appeal, the management is confident of recovering the Project Development Fee of Rs. 5 Crore paid to INCAP.

In addition to the above appeal the company has filed a Civil Suit against M/s Infrastructure Corporation of Andhra Pradesh (INCAP) before the City Civil Court, Hyderabad for recovery of Rs. 13.50 crores, which includes interest @12% per annum, calculated up to the date of filing the suit.

Pending the outcome of the Writ Appeal and the civil suit the accounts have been drawn up on a going concern basis and the amount of Rs. 5 Crores paid towards Project Development Fee to INCAP has been shown as receivable from INCAP and grouped under Other Current Assets (Note 4)



12 Investment Property - Fair Value Disclosures

NOT APPLICABLE

12.1 Unrecognised deductible temporary differences, unused tax losses and unused tax credits

	As at March 31, 2018	As at March 31, 2017
Deductible temporary differences, unused tax losses and unused tax credits for		
-Unused Business and Depreciation loss	0.36	0.18
	-	-
	<u>0.36</u>	<u>0.18</u>

12.2 Financial instruments

Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain / enhance credit rating.

The Company determines the amount of capital required on the basis of long-term strategic plans. The funding requirements are met through long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital and other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

The following table summarises the capital of the Company:

	As at March 31, 2018	As at March 31, 2017
Equity	0.06	0.25
Long Term Borrowings	-	-
Short Term Borrowings and Payables	-	-
Cash and cash equivalents	(0.39)	(0.42)
Net debt	<u>(0.39)</u>	<u>(0.42)</u>
Total capital (equity + net debt)	<u>(0.32)</u>	<u>(0.17)</u>

Categories of financial instruments

	As at March 31, 2018	As at March 31, 2017
Financial assets		
Measured at amortised cost		
Cash and bank balances	0.39	0.42
Financial liabilities		
Measured at amortised cost	-	-

Financial risk management objectives

The company's business activities exposed to a variety of financial risk viz., market risk, credit risk and liquidity risk. The company's focus is to estimate a vulnerability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. There are no significant exposure to market risk considering the current status of its project and other operations of the Company.



**NCC International Convention Centre**  
**Additional Financial Disclosures Year Ended March 31, 2018**  
**All Amounts in Rupees in Lakhs unless otherwise stated**

**Interest rate risk**

Out of total borrowings, large portion represents short term borrowings from Holding Company. The interest rate applicable is not subjected to fluctuations and interest rate risks.

**Equity risks**

The company is exposed only to non-listed equity investments and as a policy matter the company bringing down the equity investment exposure to the various companies. The company continuously in the process of disinvestment of its investments in the companies. As the exposure has come down significantly and does not have any equity investment in the listed entities, the impact of change in equity price on profit or loss is not significant.

**Credit risk management**

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents advances given by the Company.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

**Liquidity risk management**

The Company manages liquidity risk by maintaining borrowing facilities from its group companies, by continuously monitoring forecast and actual cash flows for the projects undertaken by the Company.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	0.32	0.32	-	-	0.32
<b>Total</b>	<b>0.32</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>0.32</b>

The table below provides details of financial assets as at March 31, 2018

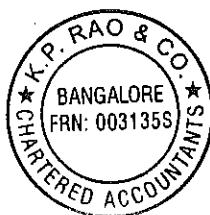
	Carrying amount
Cash and Cash Equivalents	0.39
<b>Total</b>	<b>0.39</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	0.17	0.17			0.17
<b>Total</b>	<b>0.17</b>	<b>0.17</b>	<b>-</b>	<b>-</b>	<b>0.17</b>

The table below provides details of financial assets as at March 31, 2017:

	Carrying amount
Cash and Cash Equivalents	0.42
<b>Total</b>	<b>0.42</b>

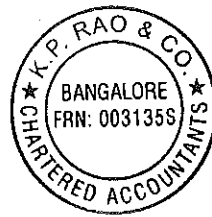


NCC International Convention Centre  
 Additional Financial Disclosures Year Ended March 31, 2018  
 All Amounts in Rupees in Lakhs unless otherwise stated  
 12.3 Fair value measurements

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

	Fair value hierarchy	As at March 31, 2018		As at March 31, 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Financial assets at amortised cost:					
Cash and bank balances	Level 2	0.39	0.39	0.42	0.42
		As at March 31, 2018		As at March 31, 2017	
	Fair value hierarchy	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities</b>					
Financial liabilities at amortised cost:					

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models.



**Note No. 13**

During 2016-17, the Company, after reviewing and reassessing the status of the litigation, has made provision for advances. However, the Company continues to defend the litigation for recovery of the expenses incurred along with other damages etc.

**Note No. 14**

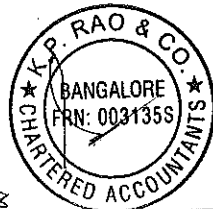
	As at March 2018	As at March 2017
Earnings per share		
Net profit for the year attributable to the equity shareholders (Rs.)	(0.18)	(500.18)
Weighted average number of equity shares	1,000,000	1,000,000
Face value per share (Rs.)	10	10
Earnings per share - Basic and Diluted (Rs.)	(0.02)	(50.02)

**Note No. 15****Introduction of new Ind AS Standard/Amendments to Ind AS Standards**

Through a Notification dated 28th March 2018, the Ministry of Corporate Affairs has indicated 1st April 2018 as the effective date for the implementation of Ind AS 115- Revenue from Contracts with Customers. The company is in the process of assessing the impact of Ind AS 115. The impact of this Standard is expected to be minimal considering the operations of the company.

**Signatories to Notes "1 to 15"**

For and on behalf of the Board



*Raghu Varma Alluri*  
Raghu Varma Alluri  
Director  
DIN: 01033094

*Ravindranath Ratho*  
Ravindranath Ratho  
Director  
DIN: 00076468

Place: Hyderabad

Date: 08-05-2018

