K. P. RAO & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
NCC Infrastructure Holdings Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **NCC Infrastructure Holdings Limited** ("the Holding Company") and its subsidiaries (collectively referred to as 'the Company' or 'the Group') its associate which comprise the Consolidated Balance Sheet as at 31 March, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 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 consolidated state of affairs of the Group as at March 31, 2019, the consolidated loss, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Ind AS Financial Statements" section of our report. We are independent of the Group 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 Consolidated Ind AS 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

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Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS 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.

KAM	**How our Audit addressed the KAM**
Litigation on sale of investment The Company has ongoing litigation with respect to sale of its investment in a subsidiary. For details of the litigation refer **Note No. 25** of the accompanying financial statements. Management's assessment of the outcome of the aforesaid litigation has been identified as a key audit matter due to the materiality of the potential obligation as it requires significant judgment in assessing the outcome of the litigation and provision to be made towards aforesaid litigation.	• We reviewed the relevant documents regarding the litigation in particular the arbitration award, the claims and counter claims raised by the parties as well as the opinion from the in-house legal and claims team, to assess the adequacy of the provision made. • We understood and tested the design and operating effectiveness of management control over assessment of the outcome of the litigation. • We discussed and understood various steps taken by management to resolve the dispute.

Other Matter

We did not audit the financial statements of the 1 subsidiary (out of 4 subsidiaries) whose financial statements reflect total assets of ₹ 34757.38 lakhs as at March 31, 2019 and total revenues of ₹ 9705.36 lakhs and net cash outflows amounting to ₹ 72.51 lakhs for the year ended on the date, as considered in the consolidated financial statements. These financials statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

In respect of an associate located in India whose financial statements and other financial information have been audited by other auditors and whose financial statements and other information and auditor's report have been furnished to us by the management, share of

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loss for the year ended 31st March 2019 has been included in the consolidated financial statements amounts to ₹ 1251.387 lakhs.

For a subsidiary's associate located in India in respect of which share of profit has been included in the consolidated financial statements amounting to ₹ 42.20 lakhs is based on the Management certified financial statement and other financial information.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the auditors and the financial statements certified by the management.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with

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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 Consolidated Ind AS Financial Statements.

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

• Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Group 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 Consolidated Ind AS 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 Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS 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.

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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 Consolidated Ind AS 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

A. 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 consolidated Balance Sheet, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors of the company and its subsidiaries and the reports of the statutory auditors of its subsidiary companies and its associate company, none of the directors of the Group companies are disqualified as on March 31, 2019 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 Group and the operating effectiveness of such controls, refer to our separate report in "Annexure". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's financial controls over financial reporting.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Holding Company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements - Refer Note 24 and 25 to the Consolidated Financial Statements.

ii. The Group 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 Holding Company.

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K. Viswanath
Partner
Membership No.: 022812

Place: Hyderabad
Date: May 08, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NCC INFRASTRUCTURE HOLDINGS 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 Infrastructure Holdings Limited** ("the Holding Company") and its subsidiaries and its associate company as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies are 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.

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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 Consolidated 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 Holding 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 Consolidated 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 Consolidated 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 Consolidated 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.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

Opinion

In our opinion, the Holding Company and its subsidiary companies and associate 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 respective Companies 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. 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K. Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: May 08, 2019

NCC INFRASTRUCTURE HOLDINGS LIMITED
CONSOLIDTED BALANCE SHEET AS AT MARCH 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
ASSETS				
1. Financial Assets				
(a)Cash and Cash equivalents	3	70.54	212.89	259.64
(b) Bank balances other that (a) above	4	415.52	393.22	374.40
(c)Receivables				
(ii) Other Receivables	5	1,189.07	1,290.60	1,808.20
Carriageway	5.1	20,238.56	24,220.39	28,202.22
(d)Loans	6	1,350.76	3,866.80	4,115.56
(e)Investments	7	37,003.40	36,440.45	46,369.33
(f)Other Financial Assets	8	3,918.61	3,918.08	3,917.04
2. Non-financial Assets				
(a) Property, Plant & Equiment	9	6,332.46	6,342.97	6365.60
(b) Capital work in progress		32.92	32.92	18.95
(c) Good will on consolidation		5,955.61	5,955.61	5955.61
(b) Other Non-Financial Assets	10	478.21	535.91	537.74
Total Assets		**76,985.66**	**83,209.84**	**97,924.29**
Liabilities and Equity				
LIABILITES :				
1. Financial Liabilites				
(a) Payables				
(I) Trade Payables	11	562.72	570.77	261.78
(b) Borrowings	12	17,024.10	21,193.65	26,251.18
(c)Other Financial Liabilites	13	81.82	103.06	3,500.43
Minority Interest		3,722.22	3,725.86	3,735.50
2. Non-Financial liabilities				
(a) Provisions	14	11,781.56	8,459.87	4,223.04
(b)Other Non-Financial Liabilities	15	152.88	225.96	1,804.66
Equity				
(a)Equity Share Capital	16	69,605.04	69,605.04	69,605.04
(b)Other Equity	17	(25,944.68)	(20,674.37)	(11,457.34)
		43,660.36	**48,930.68**	**58,147.70**
Total Liabilities and Equity		**76,985.66**	**83,209.84**	**97,924.29**
Corporate information and significant accounting policies	1 & 2			

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

K.P.Rao & Co
Chartered Accountants
Firm Registration No. 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

For and on behalf of the Board

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

Place: Hyderabad
Date: May 08, 2019

NCC INFRASTRUCTURE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operations			
(i) Others	18	8,964.00	8,964.00
Total Revenue from Operations			
Other income	19	952.52	664.25
Total Income		**9,916.52**	**9,628.25**
Expenses:			
(i) Finance Costs	20	2,112.85	2,805.10
(ii) Impairment on financial instruments	21	-	9.94
(iii) Employee Benefit Expenses	22	237.39	280.84
(iv) Depreciation, amortization and impairment	9	3,992.26	4,007.24
(v) Other Expenses	23	3,361.01	2,392.61
Total expenses		**9,703.51**	**9,495.73**
Profit/(loss) before share of profit/(loss) from associate companies exceptional items and tax		213.01	132.51
Share of (Loss) from associate companies		1,209.17	1,337.11
Exceptional items:			
Obligation on Sale Investment (Refere Note 25)		1,161.33	6,551.62
Provision for Imapairment allowance (Refer Note 25)		2,666.67	-
Dimunition on value of Investment (Refer Note 26)		300.00	1,300.00
		5,337.17	9,188.73
Profit/(loss) before Tax		(5,124.16)	(9,056.22)
Tax expenses:			
Current tax		149.16	170.44
Prior period tax		-	0.47
Profit (Loss) for the period		(5,273.32)	(9,227.13)
Other Comprehensive Income			
Remeasurements of the defined benefit plans (Refer Note No.32)		(0.58)	0.48
Total Comprehensive Income for the period(comprising Profit(Loss) and Other comprehensive Income for the period)		(5,273.90)	(9,226.65)
Profit attributable to			
Owners of the company		(5,472.27)	(9,443.10)
Non - controlling interests		198.95	215.97
		(5,273.32)	(9,227.13)
Total comprehensive income attributable to			
Owners of the company		(5,472.85)	(9,442.62)
Non - controlling interests		198.95	215.97
		(5,273.90)	(9,226.65)
Earnings per equity share:			
(1) Basic & Diluted	31	(0.76)	(1.33)

Accompanying notes forming part of the financial statements

As per our Audit Report of even date attached

K.P.Rao & Co
Chartered Accountants
Firm Registration No. 003135S

K.Viswanath
Partner
Membership No. 022812

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 08, 2019

For and on behalf of the Board

Raghu Varma Alluri	Ravindranath Ratho
Wholetime Director	Director
DIN : 01033094	DIN : 00076468
Priyanka Rajora	Y.V.Rao
Company Secretary	CFO

NCC INFRASTRUCTURE HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Year ended March 31 - 2019	Year ended March 31 - 2018
Cash Flow from Operating Activities:		
Net Profit before Tax	(5,124.16)	(9,056.22)
Adjustments for:		
Loss from other receivables	164.59	202.95
Diminition on value of asset	300.00	1,300.00
Provision for Obligation on Sale of Investment	1,161.33	6,551.62
Share of loss from associates	1,209.17	1,337.11
Provision for impairment allowance	2,666.67	-
Provision on Standard assets	-	9.94
Finance costs	2,112.84	2,805.07
Depreciation	10.43	25.41
amortisation of carriageway	3,981.83	3,981.83
Interest Income from Loan Amortization	(150.63)	(133.84)
Interest income on FD	(25.31)	(21.60)
Profit on sale on Investment	(63.72)	(89.15)
Fair value Adjustments - Change in Carrying Value of Current Investments	(615.42)	(359.44)
Changes in assets and liabilities		
(Increase)/decrease in Other receivables	694.40	314.65
(Increase)/decrease in Other non financial assets	(71.63)	(14.97)
(Increase)/decrease in Loans	0.00	382.60
(Increase)/decrease in Other financial Assets	(0.53)	(1.04)
Increase/(decrease) in Trade Payables	(8.05)	308.99
Increase/(decrease) in Other financial Liabilities	(21.92)	(129.45)
Increase/(decrease) in provision	2,160.35	(2,324.73)
Increase/(decrease) in other non financial Liabilities	(186.27)	(1,741.22)
Cash generated from operations	**8,193.97**	**3,348.52**
Income tax paid	(35.67)	(8.41)
Income tax refunded	129.33	16.80
Net cash generated from operating activities (A)	**8,287.63**	**3,356.91**
Cash Flow from Investing Activities:		
Proceeds from sale of fixed assets		
Purchase of Fixed Assets	(0.17)	(16.75)
Proceeds from sale of long-term investments		28,692.97
(Purchase)/Proceeds from sale of Mutual funds	(1,650.43)	271.48
Purchase of Investment	(500.00)	(24,491.53)
Interest income	25.31	21.60
Net Cash from investing activities (B)		
Increse in FD	(22.30)	(18.82)
Net Cash from Investing activities (B)	**(2,147.59)**	**4,458.95**
C. Cash Flow from Financing Activities:		
Repayment of the current portion of long term borrowings	(4,169.55)	(5,057.53)
Finance cost paid	(2,112.84)	(2,805.07)
Net cash from financing activities (C)	**(6,282.39)**	**(7,862.60)**
Net increase / (decrease) in cash and cash equivalants	**(142.35)**	**(46.74)**
Cash and cash equivalants at the beginning of the period	212.89	259.63
Cash and cash equivalants at the end of the period	70.54	212.89
	(142.35)	(46.74)

Accompanying notes forming part of the financial statements

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.

As per our Audit Report of even date attached

K.P.Rao & Co

Chartered Accountants

Firm Registration No. 003135S

K.Viswanath

Partner

Membership No. 022812

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Place: Hyderabad

Date: May 08, 2019

For and on behalf of the Board

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

NCC INFRASTRUCTURE HOLDINGS LIMITED

Conolidated Statement of Changes in Equity for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

Equity Share Capital

Description	Number of Shares	Amount
Balance as at March 31, 2017	6,961	69,605
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2018	6,961	69,605
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2019	6,961	69,605

17. Other Equity

Description	Reserves and surplus					Other items of Other comprehensive income	Non Controlling interest	Total
	Retained earnings	Reserve under 45IC	General reserve	Securities premium	Debenture redemption reserve			
Opening balance as at March 31, 2017	**(14,356.15)**	**23.85**	**18.50**	**2,856.45**	-	-	**3735.504**	**(7,721.84)**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	(14,356.15)	23.85	18.50	2,856.45	-	-	3,735.50	(7,721.84)
Profit for the year	(9,443.10)	-	-	-	-	-	215.9682	(9,227.13)
Remeasurements of the defined benefit plans	-	-	-	-	-	0.48	0	0.48
Transfer to DRR Reserve	(401.40)	-	-	-	626.99	-	(225.59)	-
Balance as at March 31, 2018	**(24,200.64)**	**23.85**	**18.50**	**2,856.45**	**626.99**	**0.48**	**3,725.88**	**(16,948.49)**
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	(24,200.64)	23.85	18.50	2,856.45	626.99	0.48	3,725.88	(16,948.49)
Profit for the year	(5,472.27)	-	-	-	-	-	198.95	(5,273.32)
Remeasurements of the defined benefit plans	-	-	-	-	-	(0.58)	-	(0.58)
Dividends	-	-	-	-	-	-	-	-
Transfer to retained earnings	(360.48)	-	-	-	563.07	-	(202.60)	-
Any other changes (to be specified)	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	**(30,033.40)**	**23.84**	**18.49**	**2,856.44**	**1,190.05**	**(0.11)**	**3,722.22**	**(22,222.41)**

Accompanying notes forming part of the financial statements

As per our Audit Report of even date attached

for K.P.Rao & Co

Chartered Accountants

Firm Registration No. 003135S

K.P. RAO & CO. ★ BANGALORE ★ FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

Place: Hyderabad
Date: May 08, 2019

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the Consolidated Financial Statements for the year ended March 31, 2019

1 **Corporate Information**

NCC Infrastructure Holdings Limited ("the Company") is an unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is registered with the Reserve Bank of India ("the RBI") as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company. The company is engaged in setting up infrastructure projects through special purpose entities and investing in the said entities by way of equity / debt participation. The Company also provides project management consultancy services to such infrastructure projects. The Company is a subsidiary of NCC Limited.

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
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.1 **Basis of consolidation**

The company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, as disclosed in Note no. 37, Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Non-controlling interests represents part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company.

2.3 **Applicable from 1 April 2019 New Accounting Standards**

On 30th March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116-Leases which is applicable from 1st April 2019. Ind AS 116 changes the method of accounting for leases. Excluding short-term and small ticket leases, the lessee would have to account for all other leases as a right-to-use asset in their financial statements and recognise a corresponding liability to pay the lessor. THE COMPANY would be implementing Ind AS 116 with effect from Q1 2020. In accordance with the transition provisions of Ind AS 116, differences on adoption would be adjusted to retained earnings as on 1st April 2019.

2.4 **Amendments to Accounting Standards** : On 30th March 2019, the MCA made the following amendments to accounting standards:

2.5 **Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. THE COMPANY does not expect any impact from this pronouncement.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The company does not expect any significant impact of the amendment on its financial statements.

2.6 **Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. THE COMPANY does not expect this amendment to have any impact on its financial statements.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

2.7 **Employee Benefits Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. THE COMPANY does not expect this amendment to have any significant impact on its financial statements.

2.8 **Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. THE COMPANY does not expect any impact from this amendment.

2.9 **Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. THE COMPANY does not currently have any long-term interests in associates and joint ventures.

2.10 **Business Combinations**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business.

2.11 **Joint Arrangements**

The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. THE COMPANY will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation

The principal accounting policies are set out below.

2.12 **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.

2.13 **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.

2.14 **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 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.

2.15 **Financial instruments:**

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

2.16 **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.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

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 investment and the amount of dividend can be measured reliably recognised in profit or loss are included in the 'Other income' line item.

Investments in Mutual Funds are classified at FVTPL

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 received.

2.17 **Carriage Way:**

Carriage way represents the Cost incurred towards the Project executed, pursuant to the Concession Agreement. Up to date of transition to Ind AS, the said Carriage way was treated as Intangible asset of the Company and on transition to Ind AS, the Company, pursuant to guidance specified in Ind AS 101 - - First time adoption of Indian Accounting Standard, has elected to continue with the net carrying value of all its rights on the said carriage way as non current financial asset of the Company and will be ammortised over the balance Concession Period on straight line basis.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

2.18 **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 cost.

Financial liabilities

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.19 **Property plant and equipment & Intangible Assets**

(A) Property, Plant and Equipment:

Property, Plant and Equipment are stated in the Balance sheet at cost of acquisition less accumulated depreciation and impairment losses (if any). Cost of acquisition is inclusive of freight, duties, levies and all incidental expenditure attributable to bring the asset to its working condition.

Project under which Tangible/Intangible assets are not yet ready for the intended use and other Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

(b) Intangible Fixed Assets:

Intangible Fixed assets are carried at cost less accumulated amortization and impairment losses if any. The Cost of intangible assets comprises of its purchase price, duties, taxes etc., and any directly attributable expenditure on making the assets ready for its intended use. Subsequent expenditure on an intangible asset after its purchase is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributable to the asset reliably, in which case such expenditure is added to the cost of the asset.

2.20 **Depreciation:**

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. The cost of fixed asset include interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standards of performance. Depreciation upto March 31, 2014 was provided on Straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956 and from April, 2014 onwards in accordance with methods and useful lives stated in Schedule II to the Companies Act, 2013. Intangible Assets are amortised, on straight line method based on the useful life as asseted by the Management.

2.21 **Impairment**

The Company assesses at each reporting date whether there is an indication that an asset/cash generating unit may be impaired. If any indication exists the Company estimates the recoverable amount of such assets and if carrying amount exceeds the recoverable amount, impairment is recognised. The recoverable amount is the higher of the net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount factor. When there is indication that previously recognised impairment loss no longer exists or may have decreased such reversal of impairment loss is recognised in the profit or loss.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units (or groups of cash-generating unit) that is expected to benefit from the synergies of the combination.

2.22 **Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

2.23 **Other Income**

Dividend income from investments is recognised in the year in which the right to receive the payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

2.24 **Employee Benefits**

Employee benefits include provident fund, gratuity and compensated absences.

a) Defined contribution plan

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Company makes contributions to Provident Fund , at a specified percentage of the employees' salary.and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

i) Gratuity

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

• service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
• net interest expense or income; and
• remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form reductions in future contributions to the plans.

ii) **Compensated Absences:** Liability for compensated absence is treated as a long tern liability and is provided on the basis of valuation of liability by an independent actuary as at the year end.

2.25 **Taxes on Income**

Current tax is determined based on the amount of tax payable in respect of taxable income for the period / year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 . Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.26 **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.

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
3. Cash and Cash Equivalents			
Cash on Hand	0.66	0.12	0.08
Balance with banks:			-
In Current Account	69.88	212.77	259.56
Total	**70.54**	**212.89**	**259.64**
4. Bank Balances other than above			
Fixed Deposits with IDBI Bank	415.52	393.22	374.40
	415.52	**393.22**	**374.40**
(5) Other Receivables			
Holdback Amounts from Sale consideration	240.26	1,247.11	1,765.01
Consideration on account of Share Sale receivable	900.00	-	-
Unsecured Loan Provided to HSPL (Refer Note 25)	2,666.67	-	-
Less : Allowance of Impairment Loss	(2,666.67)	-	-
Reimubursement of Project Expenses from NHAI	30.46	11.85	11.85
Reimbursement of Rentention Money from NHAI	-	13.09	13.09
Reimbursement of WCT from NHAI	18.35	18.55	18.25
Total	1,189.07	1,290.60	1,808.20
5.1. Carriage way			
Gross Value of Carriage Way	58,964.33	58,964.33	58,964.33
Less : Ammortization upto reporting period	38,725.77	34,743.94	30,762.11
Carrying value of Carriage way	20,238.56	24,220.39	28,202.22
	20,238.56	**24,220.39**	**28,202.22**
6.Long Term Loans and Advances			
Loans and advances to related parties with in India			
(Refer Note 30(d)(a))			
(Unsecured, considered good)			
Associates	1,350.76	1,200.13	1,066.29
	1,350.76	1,200.13	1,066.29
(Unsecured, Considered doubtful)			
Subsidiaries	142.09	142.09	142.09
Enterprises owned or significantly influenced by key management personnel or their relatives	195.70	195.70	195.70
	337.79	337.79	337.79
Less : Allowance of Impairment Loss	(337.79)	(337.79)	(337.79)
	-	-	-
Other Loans Advances	-	2,666.67	3,049.27
Total	**1,350.76**	**3,866.80**	**4,115.56**

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

7. Investments		As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
7.1	Investments (With in India)			
	in Equity Instruments in Subsidiaries	-	-	-
	in Equity Instruments in Associates	2,557.27	3,808.65	5,296.19
	In Compulsory Convertible in to Equity Debentures IN Group companies	24,023.53	24,023.53	-
		26,580.81	**27,832.18**	**5,296.19**
	Allowance for Impairment (With in India)	1,600.00	1,300.00	-
		24,980.81	26,532.18	5,296.19
7.2	Investments (With in India)			
	in Equity Instruments in Others	12,022.59	9,908.27	41,073.14
		37,003.40	**36,440.45**	**46,369.33**

7.3	**Details of Investments**			
	Investments carried at fair value through Profit and Loss			
	A. In Equity Shares of Rs.10/- each, fully paid up			
	(ii) In Associate companies (Equity method)			
	Pondicherry Tindivanam Tollway Limited (Refer Notes 7.5 (b))	3,351.44	3,351.44	3,351.44
	(3,387,940 Equity shares (March 31, 2018: 3,387,940 Equity Shares)			
	Add : Fairvalue Ammortization value to Investment	2,848.55	2,848.55	2,998.55
	Less : Share of loss	(3,642.72)	(2,391.35)	(1,053.80)
	Less: Provision for diminution in value of Loan	1,600.00	1,300.00	-
		957.27	2,508.65	5,296.19
	B. In Compulsorily Convertible in to Equity Debentures			
	(i) Promoter Group Company			
	Gayatri Energy Ventures Private Limited	24,023.53	24,023.53	-
		24,980.81	26,532.18	5,296.19
7.4	**Details of Investments of Current Investments**			
	Current Investments (AT COST)			
	Trade Investments (Unquoted)			
	A. In Equity Shares of Rs.10/- each, fully paid up			
	(i) In Other Entities			
	Sembcorp Gayatri Power Limited	-	-	28,542.97
	345,752,370 Equity shares (March 31, 2018: NIL)			-
	Himachal Sorang Power Limited (Refer Note Note 23)	-	4,024.89	4,024.89
	3,991,490 Equity shares (March 31, 2018: 3,991,490 Equity Shares)		-	-
	Less : Advance sale consideration against shares transfer		3,267.43	-
	L&T Mutual Funds - Debt Funds	9,711.65	7,382.07	7,204.97
	4,85,80,876.6408 Units (March 31,2018 4,06,61,051.1657 Units)			
	(Includes Investments held pursuant to the provisions of Debenture Trust Deed to meet Debt Service Reserve Account (DSRA) Rs. 16.80 Crores and Major Maintenance Reserve Rs.54.00 Crores)			
	Unquoted Investments in Ekana Sportz City Private Limited	2,268.00	1,768.00	1,300.00
	Add: Share of profit/(Loss)	42.94	0.74	0.30
		12,022.59	9,908.27	41,073.14
	Aggregate Amount of Quoted Investments	-		-
	Aggregate Amount of Unquoted Investments	**37,003.40**	**36,440.45**	**46,369.33**
	Aggregate Market Value of Quoted Investments	-		-

Notes:

7.5 (a) Of these 4,818,369 Shares (March 31, 2018 : 4,818,369 shares) are pledged with IDBI Trusteeship Services Limited as security for NCD issued by OB Infrastructure Limited

7.5(b) Of these 1,853,656 Shares (March 31, 2018 :1,234,408 shares) are pledged with Axis Bank & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Limited. 83,415 shares physically pledged with Axis Bank & WITCO. Also include 702,667 shares purchased from NCC Limited (the Holding Company), during 2016-17, to be transferred to the Company.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

8. Other Financial Assets	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
(Unsecured, considered good)			
(i) Loans & Advances to related Parties (with in India)	-	-	-
Deposits	4.19	4.19	4.19
Unbilled Revenue - Annuity Accrued	3,909.30	3,909.30	3,909.30
	3,913.49	3,913.49	3,913.49
(ii) Interest accrued on loans	108.38	108.38	108.38
Interest accrued on Deposit	5.12	4.59	3.55
Less : Provision for Interest Accrued on doubtful Loan	(108.38)	(108.38)	(108.38)
	5.12	4.59	3.55
10. Other Non-Financial Assets			
Advance income tax & tax deducted at source (net off)	387.81	481.35	501.73
GST Input Credit	50.64	11.99	-
Prepaid Expenses	7.49	10.87	10.50
Advances recoverable in cash or in kind or for value to be received	32.27	31.70	25.51
Total	**478.21**	**535.91**	**537.74**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the Financial Statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

9. Property, Plant & Equipment

Tangible Assets	Gross Block at cost				Depreciation				Net Block	
	As at April 01, 2018.	Additions	Disposals / Discarded	As at March 31, 2019	Upto April 01, 2018	Depreciation for the period	Disposals / Discarded	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land	6,261.54			6,261.54	-			-	6,261.54	6,261.54
Plant a& Machinary	21.04	-	-	21.04	12.97	1.00	-	13.97	7.07	8.07
Office equipment	80.53	0.17		80.70	75.27	1.01		76.28	4.43	5.26
Furniture & Fixtures	15.86	-	-	15.86	15.39	0.01	-	15.40	0.46	0.47
Office Vehicles	159.26			159.26	91.63	8.67		100.30	58.96	67.63
Total	**6,538.23**	**0.17**	-	**6,538.40**	**195.26**	**10.70**	-	**205.96**	**6,332.46**	**6,342.97**

9a. Property Plant & Equipment

Tangible Assets	Gross Block at cost				Depreciation				Net Block	
	As at April 01, 2017	Additions	Disposals / Discarded	As at March 31, 2018	Upto March 31, 2017	Depreciation for the year	Disposals / Discarded	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Land	6,261.54			6,261.54	-			-	6,261.54	6,261.54
Plant a& Machinary	21.04			21.04	8.67	4.30		12.97	8.07	12.37
Office equipment	77.75	2.78	-	80.53	73.36	1.91	-	75.27	5.26	4.39
Furniture & Fixtures	15.86	-	-	15.86	13.87	1.52	-	15.39	0.47	1.99
Office Vehicles	159.26	-	-	159.26	73.95	17.68	-	91.63	67.63	85.31
Total	**6,535.45**	**2.78**	-	**6,538.23**	169.85	25.41	-	**195.26**	**6,342.97**	**6,365.60**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED 100000

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
11 TRADE PAYABLES			
Other than acceptances			
a) Due of Micro Enterprises and Small Enterprises	-	-	-
b) Dues of Creditors other than Micro and Small Enterprises	562.72	570.77	261.78
	562.72	**570.77**	**261.78**
12 Borrowings :			
Loan from Holdings Company (Refer Note 12a)	844.10	1,333.65	2,591.18
Zero Coupon Optionally Convertible Debentures (Refer Note 12b)	500.00	-	-
Debentures: (Refer note 12c)			
a) 7760 (previous year 11,840) Series 'A' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each	7,760.00	11,840.00	
b)1,000 (previous year 1,000) Series 'B' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each	1,000.00	1,000.00	
c) 6,920 (previous year 7,020) Series 'C' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each	6,920.00	7,020.00	
	15,680.00	19,860.00	23,660.00
	17,024.10	21,193.65	26,251.18
13 OTHER FINANCIAL LIABILITIES			
Interest Accrued but not due on Loan from Holding company	81.82	103.06	233.00
Sale consideration received in Advance	-	-	3,267.43
	81.82	**103.06**	**3,500.43**

12 a. Loan taken from the holdings company, NCC Limited which carries an interest of 12% pa. Repayable within two months after March31, 2019 as mutually agreed upon with holding company.

12 b. Zero Coupon Secured Optionally convertible debentures issued to LJK constructions by NCC Infra Limited which carryied interest @0.01% with issuer option of conversion not more than 5 years

12 c Debentures

Secured, Rated, Listed, Redeemable Non Convertible Debentures

During February 2014, the company issued 20,000 Series 'A' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 200 Crores; 5,000 Series 'B' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 50 Crores and 8,400 Series 'C' Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Rs. 1,00,000 each amounting to Rs. 84 Crores. Aggregate value of debentures issued was Rs. 334 Crores. L&T Infra Finance Limited subscribed the total debentures from Debenture Trustee of OBIL. Subsequently L&T Infra Finance Limited transferred 6176 Series "A" debentures of Rs. 1,00,000/- each amounting Rs. 61.76 Crores

a) Interest

The interest rate payable on the debentures depends upon the 'Rating' by rating agency and in accordance with Clause 3.1 of the Debenture Trust Deed entered between the Company and IDBI Trusteeship Services Limited, being the Debenture Trustee. Present applicable interest rate is as follows:-

Series 'A' Debentures - 10.90 % p.a. payable monthly.
Series 'B' Debentures - 11.50 % p.a. payable monthly.
Series 'C' Debentures - 11.50 % p.a. payable monthly.

b) Security

1) First pari passu charge on all the OBIL's tangible movable assets including vehicles both present and future save and except the Project Assets

2) First pari passu charge on all the intangible assets of the OBIL's.

3) First pari passu charge over all accounts of the OBIL including Debt Service Reserve Account (DSRA), Escrow account and the subaccounts and all the funds from time to time deposited therein.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED 100000

Notes to the financial statements for the period ended March 31, 2019

4) First pari passu charge over all receivables and all Authorised Investments or other securities including receivables from NHAI of the Project, whatsoever nature both present and future subject to the provisions of the Transaction Documents.

5) Assignment by way of security, in :

i) All the rights, title, interest, benefits, claims and demands whatsoever of the OBIL in the Project Agreements;

ii) All the rights, title and interest of the OBIL's in, to and all the Clearances;

iii) All the rights, title, interest, benefits, claims and demands whatsoever of the OBIL in any letters of credit, guarantees, liquidated damages and performance bonds provided by any party to the Project Agreements;

iv) All the rights, title, interest, benefits, claims and demands whatsoever of the OBIL under all insurance contracts;

6) A pledge on 51% of the issued, paid up and voting equity share capital of the OBIL held by the promoters in the OBIL's.

c) Redemption Schedule

Date of Installments	Series 'A'	Series 'B'	Series 'C'	(In Rupees) Total
15.06.2022 & 15.12.2022	-	-	10,60,00,000	10,60,00,000
15.06.2021 & 15.12.2021	15,60,00,000	-	34,80,00,000	50,40,00,000
15.06.2020 & 15.12.2020	30,00,00,000	-	19,80,00,000	49,80,00,000
15.06.2019 & 15.12.2019	32,00,00,000	10,00,00,000	4,00,00,000	46,00,00,000
15.06.2018 & 15.12.2018	40,80,00,000	-	1,00,00,000	41,80,00,000
15.06.2017 & 15.12.2017	22,20,00,000	15,00,00,000	80,00,000	38,00,00,000
15.06.2016 & 15.12.2016	17,60,00,000	15,00,00,000	2,00,00,000	34,60,00,000
15.06.2015 & 15.12.2015	14,60,00,000	10,00,00,000	2,00,00,000	26,60,00,000
15.06.2014 & 15.12.2014	14,80,00,000	-	9,00,00,000	23,80,00,000
21.02.2014	12,40,00,000	-	-	12,40,00,000
	2,00,00,00,000	50,00,00,000	84,00,00,000	3,34,00,00,000

14			
Provisions			
Provision for employee benefits:			
Provision for gratuity	3.59	8.63	6.53
Provision for compensated absences	15.33	20.46	17.13
Provision for Commitments	-	-	1,500.00
Statutory remittances	7.83	10.07	34.79
Provison on Standard Assets	70.61	70.61	60.67
IC Charges Payable	3.01	3.30	14.77
Retention Money Payable	52.51	112.89	170.77
	152.88	**225.96**	**1,804.66**
15 OTHER Non - FINANCIAL LIABILITIES			
Provision pursuant to HSPL Arbitration Award on account of sale of Investment in HSPL -(Refer Note No.25)	8,042.84	6,738.96	1,595.69
Provision for Major Maintenance	3,738.72	1,720.91	2,627.35
	11,781.56	**8,459.87**	**4,223.04**

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

16. SHARE CAPITAL	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity Shares of Rs.10/-each	75,00,00,000	75,000.00	75,00,00,000	75,000.00	75,00,00,000	75,000.00
	75,00,00,000	**75,000.00**	**75,00,00,000**	**75,000.00**	**75,00,00,000**	**75,000.00**
Issued, Subscribed and Fully Paid Up						
Equity Shares of Rs.10/-each	69,60,50,446	69,605.04	69,60,50,446	69,605.04	69,60,50,446	69,605.04
	69,60,50,446	**69,605.04**	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**

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

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Amount				
At the beginning of the year	69,60,50,446	69,605.04	69,60,50,446	69,605.04	69,60,50,446	69,605.04
Issued during the Period	-	-				
At the end of the Period	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**

(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 remaining assets of the company, after distribution of all liabilities. The distribution will be in proportion to the number of

(c) Shares held by the Holding company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Rupees				
NCC Limited	43,24,37,351	4,324.37	38,28,27,745	3,828.28	38,28,27,745	3,828.28

(d) Details of share holders holding more than 5% share in the Company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Shares	% Holding				
NCC Limited (the Holding Company - along with its nominees)	43,24,37,351	62.13%	38,28,27,745	55.00%	38,28,27,745	55.00%
Gayathri Energy Ventures Private Limited	26,36,13,095	37.87%	31,32,22,701	45.00%	31,32,22,701	45.00%

(e) Details of shares issued for consideration other than cash:

	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Bonus Shares to NCC Limited in the year 2013-2014 (the Holding Company)	40,97,30,426	40,973.04	40,97,30,426	40,973.04

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

	Year Ended March 31, 2019	Year Ended March 31, 2018
18. REVENUE FROM OPERATION		
(i) Others		
Annuity from NHAI	8,964.00	8,964.00
	8,964.00	**8,964.00**
19. OTHER INCOME		
(i) Interest on I.T.Refund	42.45	28.82
(ii)Net gain on derecognition of fiancial instruments(amortised cost)	150.63	133.83
Change in Carrying value of Debentures	615.42	359.44
Interest income on Bank Deposit	25.31	21.60
Profit on sale of investments	63.72	89.15
Creditbalance no longer written back	18.18	-
Miscellaneous Income	36.81	31.41
	952.52	**664.25**
20. Finance Cost on financial Liabilities at Ammortized Cost		
Interest on ICD to Holding Company	95.21	302.04
Interest on Secured Debentures	1,964.75	2,406.13
Commission on Bank Guarantee	52.45	95.36
Bank Charges	0.44	1.57
	2,112.85	**2,805.10**
21. Impairment on Financial instruments		
Provision for standard assets - RBI Circular	-	9.94
Provision for Investment - Subsidiary	-	-
	-	**9.94**
22. EMPLOYEE BENEFITS		
Salaries, Wages & Other allowances	220.72	261.89
Contribution to Provident funds	10.59	14.04
Staff welfare expenses	6.08	4.91
	237.39	**280.84**
23. OTHER EXPENSES		
Rent	8.77	1.89
Rates and Taxes	1.53	3.59
Power charges	30.09	44.73
Repairs & maintenace machinery	54.22	66.59
Road Miantenance Expenses	603.53	147.42
Provision for Major Maintenance	2,017.81	1,667.61
Travelling and Conveyance	50.09	52.59
Insurance	30.85	35.30
Repairs and Maintenance - other assets	0.55	0.15
Professional Charges	87.35	124.13
Audit Fees	9.61	8.15
Director Sitting Fees	8.75	-
Office Maintenance	7.54	7.86
Arbitration Costs	238.35	71.08
Miscellaneous Expenses	6.07	10.08
Business Promotion Expenses	-	0.93
Machinery Hire charges	41.31	56.24
Refund from SIAC	-	(117.68)
Other receivables written off	164.59	202.95
	3,361.01	**2,383.61**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

24. Contingent Liabilities and commitments (to the extent not provided for)

	As at March 31, 2019	As at March 31, 2018
Contingent liabilities :	NIL	NIL

25. Sale of Investment in HSPL

The Company, during the year 2012-13, entered into a Securities Purchase Agreement (SPA) with TAQA India Power Ventures Private Ltd - formerly TAQA Jyothi Energy Ventures Private Ltd (TAQA) for sale of 41,44,300 equity shares of Rs. 10/- each and 78,58,900 Zero Coupon Irredeemable Fully Convertible Debentures held by it in Himachal Sorang Power Limited (HSPL).

In terms of SPA, the sale of shares to be effected in two tranches viz initial sale and subsequent sale.

- Initial Sale (on the date of the SPA) envisaged transfer of : 152810 shares and 7858900 Zero Coupon Irredeemable Fully Convertible Debentures of Rs. 10/- each of HSPL held by the company and the same completed and realized the proceeds

- In respect of Subsequent Sale Shares Transfer, 39,91,490 Equity Shares of Rs. 10/- each of HSPL held by the company Value of Rs. 402489083/- effected on 22.01.2019. Sale consideration receivable on account of subsequent sale Rs. 9,00,00,000/- shown under Other receivables. Sales consideration received in advance on account of initial sale shown under provision for Sale of Investment of Rs.14254093/-

During the year 2012-13, the management has estimated and made a provision of Rs. 51,95,68,675/- towards its obligation to meet cost over runs, contingencies, etc. During 2014 - 15 TAQA invoked bank guarantee of Rs.36,00,00,000 submitted by the Company as security adjusted with this provision. During 2017-18 Receivable amounts on account of advances paid to HSPL for expenses Rs.. 140834224/- adjusted with this provision. The net provsion amount of Rs.18734451/- presented under 'Provision pursuant to sale of investments in HSPL .

In terms of SPA, the Company had obligation to achieve wet commissioning by March 2013 within agreed cost of Rs.890 Crores and failing which has to bear the cost over run exceeding Rs 890 Crores, subject to relevant clauses in terms of SPA.

TAQA has taken control of operations of HSPL effective from December 2012 by taking over the majority control in the Board of Directors of HSPL. Further, TAQA also took over the management of the project of HSPL during December 2013.

During 2014 - 15, TAQA and HSPL had invoked the arbitration proceedings under the SPA, in Singapore International Arbitration Centre, detailing various disputes / claims aggregating to Rs. 409,89,88,202/-, which is revised to Rs. 671,42,90,000/- during the Arbitration Process. The Company denied all the disputes / claims in its entirety and also raised Counter Claims aggregating to Rs. 210,33,49,952/- (subsequently revised to Rs. 78,50,25,093/-). The Learned Arbitral Tribunal has while quashing the claims of TAQA, has allowed certain claims of HSPL Amounting to Rs 108,38,25,790/- (after adjustments of receivables) together with interest commencing on varied dates

Aggrieved by the order of the learned Tribunal, the company is initiating the process to challenge the award in the Courts of Singapore as per the SIAC Rules and the International Arbitration Act.

In the meantime in March 2018 TAQA and HSPL has filed a petition before the honourable High Court of Delhi for Enforcement of a Foreign Award and the Company has raised preliminary objections on the grounds of Jurisdication and the next hearing is slated on 23rd May 2019.

Based on the above developments, part of review of the case scenarios and as prudent practice, management has provided Rs.65.51 Crores as provision for "Pursuant to sale of Investment of HSPL ." on 31.03.2018. Further review as at 31.03.2019 Management review the process of Arbitration and made further provision for amount of Rs. 11.61 Cr. on account of p "Pursuant to Sale of Investment of HSPL" . Further made another provision for allowance of impairment on account of Unsecured loan paid Rs. 26.67 Cr. to HSPL

26 : Provision for Diminution in the value of Investments / for recoverability of advances of Associates

The company has invested in Equity and advance monies in Pondicherry Thindivanam Tollway Private Limited, have incurred losses during the year and also accumulated losses at the reporting period. Hence, during the year under report, the company made a provision of Rs. 3 Cr. for dimunition on Value of Investments basing on fairvalue measurement by considering future cashflow and certain claims receivable.

27. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

28. Employee Benefits

In Accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eleigible employees. The liability on account of gratuity is covered partially through a recognized Gratuity fund managed by Life Insurance Corporation of India (LIC)and balance is provided on the basis of valuation of liability by an Independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well divversified and as such, the long term return on the policy is expected to be higher that the rate of return on Central Government bonds.

(i) "Liability for retiring gratuity as on March 31, 2019 is Rs.14.43 lakhs (March 31, 2018: 22.81lakhs) of which Rs. 10.84 lakhs (March 31,2018 Rs. 14.17 lakhs)is funded with the Life Insurance Corporateion of India. The balance of Rs.3.59 lakhs (March 31, 2018 Rs. 8.64 lakhs) is included in provision for Gratuity.

The liability cost of compensated absence Rs. 15.33 lakhs (March 31, 2018 Rs. 20.46 lakhs) are unfunded and has been actuarially determined and provided for in books of account.

Details of the company's post retirement gratuity plans for its employees including wholetime directors are given below, which is certtified by the actuary

Amount to be rerecognized in Balance sheet	March 31, 2019	March 31, 2018
Present value of defined benefit obligation	14.43	22.81
Fair value of plan assets	(10.84)	(14.17)
Net Liability	**3.59**	**8.64**
The above Liability Classified as		
Long Term	**13.64**	**21.48**
Short Term	**0.79**	**1.33**
Expenses recongnised in Statement of Profit and Loss	**March 31, 2019**	**March 31, 2018**
Current service cost	0.83	1.97
Interest cost	0.51	1.31
Net actuarial (gain)/loss through P&L	**1.35**	**3.28**
Net actuarial (gain)/loss through OCI	0.56	(0.54)
Net benefit expense	**1.91**	**2.74**
Change in present value of the defined benefit obligations	**March 31, 2019**	**March 31, 2018**
Opening defined benefit obligation	22.81	20.07
Current service cost	0.83	1.97
Interest cost	1.38	1.31
Benefits paid	(11.05)	(1.31)
Actuarial (gains)/losses on obligation	0.45	0.78
Closing defined benefit obligation	**14.43**	**22.82**
Assumptions for gratuity and Leave encashment	**March 31, 2019**	**March 31, 2018**
Discount rate	8%	8%
Rate of increase in compensation levels	6%	6%
Rate of return on plan assets	6%	6%
Adjusted average future service	22.36	16

29. Segment Information

The Company's operations predominantly consist of Investment in Group Companies. Hence there are no reportable segments under Indian Accounting Standard-108. During the year under report, the Company's business has been carried in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC Infrastructure Holding Limited
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

30. Related party transactions

a) List of related parties and relationship

Name of the Related party	Relationship
M/s. NCC Limited	Holding Company
M/s. Gayatri Energy Ventures Private Limited	Promoter Group Company
M/s. Pondicherry Thindivanam Tollway Limited	Associate
M/s. Himalayan Green Energy Private Limited M/s. Sirisha projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Mr. Raghu Varma Alluri, Whole Time Director Mr. S.Jogarao, Company Secretary Ms. Priyanka Rajora (w.e.f as CS 01.08.2017) Mr. K. Sriram Raju, C.F.O. Mr. Y.Venkateswara Rao (w.e.f.as CFO 01.11.2017)	Key Managerial Personnel

b) Related party transactions entered into during the year are as follows

	Year ended March 31, 2019	Year ended March 31, 2018
(i) Inter Corporate Deposit Received		
M/s. NCC Limited	241.56	1,588.74
(ii) Interest on Inter Corporate Deposit	-	-
M/s. NCC Limited	95.21	302.04
(iii) Expenses/BG Commission debited by the holding company	-	-
M/s. NCC Limited	48.21	85.15
(iv) Inter Corporate Deposit Refunded	-	-
M/s. NCC Limited	816.79	2,932.02
(v) Interest on Inter Corporate Deposit Refunded		
M/s. NCC Limited	48.21	412.23
(vii) Loans/Advances refund received	-	-
M/s. Pondicherry Thindivanam Tollway Limited	-	150.00
(ix) Rent Paid	-	-
M/s. Sirisha projects Private Limited	8.48	9.43
Bank Guarantee commission debited by		
M/s.NCC Ltd	4.24	7.62
(ii) Amount paid and shares allotted during the year		
M/s. Ekana Sportz City Private Limited	-	468.00
(xx) Remuneration paid to Key Managerial Personnel		
Mr. Raghu Varma Alluri	70.60	70.60
Mr. S.Jogarao	-	12.72
Ms. Priyanka Rajora	8.29	5.31
Mr. K.Srirama Raju	-	9.52
Mr. Y.Venkateswara Rao	10.09	10.00
(c) Credit Balances Outstanding		
(a) Inter Corporate Deposit from Holding Company		
M/s. NCC Limited	844.10	1,333.65
(b) Interest Accrued but not Due on ICD		-
M/s. NCC Limited	-	-

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC Infrastructure Holding Limited
Notes to the Conolidated financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

(d) Debit Balances Outstanding		-
(a) In Associates		-
M/s. Pondicherry Thindivanam Tollway Limited	1,350.76	1,200.12
(b) In Enterprises owned or significantly influenced by key management personnel or their relatives		-
M/s. Himalayan Green Energy Private Limited	195.70	195.70
(c) Interest Accrued on Loans		-
M/s. Himalayan Green Energy Private Limited	108.38	108.38
(d) Debit balances as at the end of the year	-	
M/s. Ekana Sportz City Private Limited	1,768.00	1,768.00

31. Earnings per share (EPS)

	Year Ended March 31 2019	Year Ended March 31 2018
Net Profit/(Loss) after tax available for equity shareholders	(5,273.90)	(9,226.65)
Weighted average no of equity shares for Basic EPS	6,960.50	6,960.50
Weighted average no of equity shares for diluted EPS	6,960.50	6,960.50
Face value per share	10.00	10.00
Basic EPS	(0.76)	(1.33)
Diluted EPS	(0.76)	(1.33)

32. During the current reporting period Acturial gains and losses on Defined Benefit plans have been presented in Other Comprehensive Income. Accordingly previous year amounts also reclassified as the same was presented in Proft & Loss account

Signatories to Note "1 to 37"

for and on behalf of the board

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

Place : Hyderabad
Date :

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

All Amounts in Rupees in Lakhs unless otherwise stated

33 Financial instruments

33.1 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, 2019	As at March 31, 2018	As at April 01, 2017
Equity	43,660.36	48,930.68	58,147.70
Long Term Borrowings	17,024.10	21,193.65	26,251.18
Short Term Borrowings			-
Cash and cash equivalents	70.54	212.89	259.64
Net debt	16,953.56	20,980.76	25,991.54
Total capital (equity + net debt)	60,613.92	69,911.44	84,139.24

Categories of financial instruments

	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Financial assets			
Measured at Cost			
Carriageway (amortised cost)	20,238.56	24,220.39	28,202.22
Cash and bank balances	70.54	212.89	259.64
Bank Balances other than above	415.52	393.22	374.40
Investments	37,003.40	36,440.45	46,369.33
Loans	1,350.76	3,866.80	4,115.56
Other Receivables	1,189.07	1,290.60	1,808.20
Other Financial assets	3,918.61	3,918.08	3,917.04
Financial liabilities			
Borrowings	17,024	21,194	26,251
Trade payables	563	571	262
Other	81.82	103.06	3,500.43

33.2 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

33.3 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.

33.4 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate applicable is not subjected to fluctuations hence company is not exposed to interest rate risks.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

33.5 **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.

33.6 **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 balancesis limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

33.7 **Price risk**

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.
The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The OB Infrastructure's exposure to price risk due to investments in mutual fund is as follows:

Particulars	Note No.	31.03.2019	31.03.2018	01.04.2017
Investments in Mutual Funds		9,711.65	7,382.07	7204.97

Sensitivity Analysis

	Impact on profit/ loss		
	31.03.2019	31.03.2018	01.04.2017
Increase or decrease in NAV by 2%	170.94	145.87	72.05
Note - In case of decrease in NAV profit will reduce and vice versa.			

33.8 **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, 2019:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Other financial liabilities	81.82	81.82	-	-	81.82
Trade payables	562.72	562.72	-	-	562.72
Borrowings	17,024.10	5,944.10	10,020.00	1,060.00	17,024.10
Total	**17,668.64**	**6,588.64**	**10,020.00**	**1,060.00**	**17,668.64**

The table below provides details of financial assets as at March 31, 2019

	Carrying amount	Fair Value
Investments	37,003.40	37,003.40
Loans	1,350.76	1,350.76
Other financial Assets	3,918.61	3,918.61
Total	**37,003.40**	**37,003.40**

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	103.06	103.06	-	-	103.06
Trade payables	570.77	570.77	-	-	570.77
Borrowings	21,193.65	5,513.65	14,620.00	1,060.00	21,193.65
Total	**21,867.48**	**6,187.48**	**14,620.00**	**1,060.00**	**21,867.48**

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

	Carrying amount	Carrying amount
Investments	36,440.45	36,440.45
Loans	3,866.80	3,866.80
Other financial Assets	3,918.08	3,918.08
Total	**36,440.45**	**36,440.45**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

33.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Notes:
There were no transfers between Level 1 and 2 in the period.
The Level 1 financial instruments are measured using quotes in active market

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, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
Carriageway (amortised cost)	Level 3	20,238.56	20,238.56	24,220.39	24,220.39
Cash and bank balances	Level 2	70.54	70.54	212.89	212.89
Investments	Level 2	12,979.87	12,979.87	2,508.65	2,508.65
Loans	Level 2	1,350.76	1,350.76	3,866.80	3,866.80
Other Financial assets measured at amortised cost	Level 2	3,918.61	3,918.61	3,918.08	3,918.08
	Fair value hierarchy	As at		As at	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
- Borrowings	Level 3	17,024.10	17,024.10	21,193.65	21,193.65
- Trade payables	Level 3	81.82	81.82	103.06	103.06
- Other financial liabilities	Level 3	81.82	81.82	103.06	103.06

33.10 Details of Provisions

Name of the Provision	Opening Balance as at 01.04.18	Provision during 2018 - 19	Unwinding Interest during 2018-19	Released during the period 31.03.19	Closing Balance as at 31.03.19
Provision for Standard Assets - RBI	70.61	-	-	-	70.61
Provision for Diminishing Value of Investment	13.00	3.00	-	-	16.00
Provision for Major Maintenance	1,720.91	1,842.71	175.10	-	3,738.72

34 34) Disclosures in accordance with Clause 28 of the Company's Listing Agreement for Debt Securities with Bombay Stock Exchange Limited:

1) Loans and advances in the nature of loans to associates : NIL
2) Loans and advances in the nature of loans where there is:
(i) No repayment schedule or repayment is beyond 7 years : NIL
(ii) No interest or interest rate is below that under Section 186 of the Companies Act :NIL
3) Loans and advances in the nature of loans to firms/Companies in which Directors of the Company are interested - Nil

35 Going Concern of Samasti Gas Energy Limited

In case of Subsidiary Samasti Gas Energy Limited Management is in the process of applying for strike off of the company under section 248 (2) of the Act, on voluntary basis and hence accounts have been prepared on liquidation basis

36 Legal case in Savitra Agri Private Limited

Certain cases were filed by the petitioners in Hon'ble High Court of Andhra Pradesh for setting aside alienation of land at Sompeta by Andhra Pradesh Industrial Infrastructure Corporation, setting aside Environmental Clearance for the project and certain other matters. The Company is a respondent to in all the cases. Besides these, certain individuals have filed cases in Civil Court for permanent injunctions restraining the Company from possession and enjoyment of land admeasuring 1.78 acres. The matters are subjudice. The management at this juncture do not foresee any adjustments to the carrying value of assets and liabilities on account of these cases at this juncture.

The company have planned to develop Aquaculture in own lands (Patta) in Benkili-Baruva Village, Sompeta Mandal Jurisdiction. Accordingly, it has filed application (Form-B) on 24/02/2018, for registration of Fresh Water Aquaculture Farm in 197.00 acres. A Sub-Committee consisting of the officials from Revenue, Irrigation, Ground Water and Agriculture Departments headed by JD-Fisheries visited the project site and made physical inspections. NOCs from all the individual departments have been received except from Agriculture

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

37 The subsidiaries and associate companies that are considered for consolidation

Particulars	Proportion of voting interest and	
	31-03-2019	31-03-2018
Subsidiaries		
OB Infrastructure Limited India	64.02%	64.02%
NCC Infra Limited India	100%	100%
Samashti Gas Energy Limited India	100%	100%
Savitra Agri Industrial Park Private Limited	58%	58%
Associates		
Pondicherry Tindivanam Tollway Limited India	47.80%	47.80%
Ekana Sportz City Private Limited India	26.00%	26.00%

Additional information as required by schedule III of companies act 2013

Name of the Entity in the Group	Net assets		Share in Profit (loss)		Share in OCI		Share in Total comprehensive	
	% of share	Amount	% of share	Amount	% of share	Amount	% of share	Amount
Parent	97%	42,138.55	88%	(4,636.68)	298%	(1.72)	88%	(4,638.40)
Subsidiaries in india								
OB Infrastructure Limited	33%	14,621.06	-11%	561.94	-198%	1.14	-11%	563.08
NCC Infra Limited	-1%	(497.08)	0%	(0.46)	0%	-	0%	(0.46)
Savitra Agri Private Limited	-6%	(2,643.43)	0%	(8.69)	0%	-	0%	(8.69)
Samasti gas energy Limited	0%	-	0%	14.64	0%	-	0%	14.64
		53,619.10	0%	-	0%			
Adjustments arising out of consolidation	-22%	(9,504.73)	0%	5.00	0%	-	0%	5.00
Non controlling interests in all subsidiaries	-9%	(3,722.22)	0%	-	0%	-		
Associates (Investment as per Equity Method)								
Pondicherry Tindivanam Tollway Limited	2%	957.27	24%	(1,252.12)	0%	-	24%	(1,252.12)
Ekana Sportz City Private Limited	5%	2,310.94	-1%	42.94			-1%	42.94
	100%	43,660.36	100%	(5,273.43)	100%	(0.58)	100%	(5,274.01)

for and on behalf of the board

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

Place : Hyderabad
Date :

K. P. RAO & CO.
CHARTERED ACCOUNTANTS

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K. P. RAO
K. VISWANATH K.P. SIDDHARTH
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H.N. ANIL S. PRASHANTH
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INDEPENDENT AUDITOR'S REPORT

To
The Members of
NCC Infrastructure Holdings Limited

Report on the Indian Accounting Standard (Ind AS) Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of NCC Infrastructure Holdings Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the Standalone Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the interim consolidated Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate

K. P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

opinion on these matters. . We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters (KAM)	How our Audit addressed the KAM
Litigation on sale of investment The Company has ongoing litigation with respect to sale of its investment in a subsidiary. For details of the litigation refer **Note No. 25** of the accompanying financial statements. Management's assessment of the outcome of the aforesaid litigation has been identified as a key audit matter due to the materiality of the potential obligation as it requires significant judgment in assessing the outcome of the litigation and provision to be made towards aforesaid litigation.	• We reviewed the relevant documents regarding the litigation in particular the arbitration award, the claims and counter claims raised by the parties as well as the opinion from the in-house legal and claims team, to assess the adequacy of the provision made. • We understood and tested the design and operating effectiveness of management control over assessment of the outcome of the litigation. • We discussed and understood various steps taken by management to resolve the dispute.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position and financial performance of the Company and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

K. P. RAO & CO. ★ CHARTERED ACCOUNTANTS ★ BANGALORE FRN: 003135S

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

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

Auditor's Responsibility for the audit of Standalone Ind AS financial statements
Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accountiug 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 Standalone Ind AS 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.

K. P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS 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

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 1**, a statement on the matters specified in the paragraph 3 and 4 of the order.

B. As required by section 143(3) of the Act, we report that:

   a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;

   d) in our opinion, the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;

K. P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

e) on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;

f) 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.

g) with respect to the adequacy of internal financial controls over financial reporting of the Company and 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.

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, 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 standalone Ind AS financial statements – Refer Note No. 24 & 25
   ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.P. Rao and Co.
Chartered Accountants
Firm Reg. No: 003135S

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

K. Viswanath
Partner
Membership No. : 022812

Place: Hyderabad
Date: May 08 , 2019

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

((Referred to in paragraph A under "Report on Other Legal Regulatory Requirements" section of our report of even date to the members of NCC Infrastructure Holdings Limited)

We report that;

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

   b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

   c) According to the information and explanations given to us the company has not held any immovable property during the year and hence paragraph 3(i)(c) of the Order is not applicable for 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. According to the information and explanations given to us, the Company has granted secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Act.

   a) According to the information and explanations given to us, the terms and conditions of the grant of such loans are prejudicial to the company's interest.
   b) In our opinion and according to the information and explanation provided to us the loan amount shall be repayable in instalments after commencement of Commercial Utilization of the project or subject to the availability of funds, whichever is earlier. Also, no interest is receivable on this loan.
   c) In the absence of terms of repayment we are unable to comment on whether any amount is overdue for more than ninety days.

4. In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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) There were no outstanding dues as on the last day of the financial year concerned for the period more than six months from the date they became payable.

   c) 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 177 and Section 188 of the Act, where applicable, and the details have been disclosed in the standalone Ind AS 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.

K. P. RAO & CO. BANGALORE FRN-003135S CHARTERED ACCOUNTANTS

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 registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial (Non- Deposit Accepting or Holding) Company (NBFC).

For K.P. Rao and Co.
Chartered Accountants
Firm Reg. No: 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K. Viswanath
Partner
Membership No. : 022812

Place: Hyderabad
Date: May 08, 2019

"Annexure 2" to the Independent Auditors' Report

(Referred to in paragraph B(g) under "Report on Other Legal Regulatory Requirements" section of our report of even date to the members of NCC Infrastructure Holdings 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 **NCC Infrastructure Holdings Limited** as of March 31st, 2019 in conjunction with our audit of the Standalone Ind AS 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 Institute of Chartered Accountants of India (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 ICAI. 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.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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 judgments, 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

K. P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

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, 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 K.P. Rao and Co.
Chartered Accountants
Firm Reg. No: 003135S

K. P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K. Viswanath
Partner
Membership No. : 022812

Place: Hyderabad
Date: May 08 , 2019

NCC INFRASTRUCTURE HOLDINGS LIMITED
BALANCE SHEET AS AT MARCH 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
ASSETS				
1. Financial Assets				
(a)Cash and Cash equivalents	3	23.26	87.30	27.66
(c)Receivables				
(i) Trade Receivables	4	25.92	25.92	21.00
(ii) Other Receivables	5	1,140.26	1,247.11	1,765.01
(d)Loans	6	1,350.76	3,866.80	4,115.56
(e)Investments	7	44,083.88	45,146.34	53,915.21
(f)Other Financial Assets	8	8,953.45	8,944.45	8,919.45
2. Non-financial Assets				
(a) Property, Plant & Equiment	9	46.33	53.32	60.35
(b)Other Non-Financial Assets	10	106.57	199.49	215.34
Total Assets		**55,730.43**	**59,570.73**	**69,039.58**
Liabilities and Equity				
LIABILITES :				
1. Financial Liabilites				
(a) Payables				
(I) Trade Payables	11	18.63	25.82	19.91
(b) Borrowings	12	844.10	1,333.65	2,591.18
(c)Other Financial Liabilites	13	-	-	3,377.63
2. Non-Financial liabilities				
(a) Provisions	14	8,042.84	6,738.96	1,595.69
(b)Other Non-Financial Liabilities	15	87.13	96.18	1,585.94
Equity				
(a)Equity Share Capital	16	69,605.04	69,605.04	69,605.04
(b)Other Equity	17	(22,867.31)	(18,228.91)	(9,735.81)
		46,737.73	**51,376.13**	**59,869.23**
Total Liabilities and Equity		**55,730.43**	**59,570.73**	**69,039.58**
Corporate information and significant accounting policies	1 & 2			

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

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: 08-05-2019

For and on behalf of the Board

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

V.V.Rao
CFO

NCC INFRASTRUCTURE HOLDINGS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operations			
(i) Others	18	48.00	48.00
Total Revenue from Operations			
Other income	19	192.98	138.08
Total Income		**240.98**	**186.08**
Expenses:			
(i) Finance Costs	20	143.82	391.30
(ii) Impairment on financial instruments	21	5.00	9.94
(iii) Employee Benefit Expenses	22	137.29	149.44
(iv) Depreciation, amortization and impairment	9	6.99	8.12
(v) Other Expenses	23	456.57	269.19
Total expenses		**749.66**	**827.99**
Profit/(loss) before exceptional items and tax		(508.68)	(641.91)
Exceptional items:			
Obligation on Sale Investment (Refere Note 25)		1,161.33	6,551.62
Provision for Imapairment allowance (Refer Note 25)		2,666.67	-
Dimunition on value of Investment (Refer Note 26)		300.00	1,300.00
		4,128.00	7,851.62
Profit/(loss) before Tax		(4,636.68)	(8,493.53)
Tax expenses:			
Current tax		-	-
Profit (Loss) for the period		(4,636.68)	(8,493.53)
Other Comprehensive Income			
Remeasurements of the defined benefit plans (Refer Note No.32)		(1.72)	0.42
Total Comprehensive Income for the period(comprising Profit(Loss) and Other comprehensive Income for the period)		(4,638.40)	(8,493.11)
Earnings per equity share:			
(1) Basic & Diluted	31	(0.67)	(1.22)

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

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: 08-05-2019.

For and on behalf of the Board

Raghu Varma Alluri	**Ravindranath Ratho**
Wholetime Director	**Director**
DIN : 01033094	DIN : 00076468
Priyanka Rajora	Y.V.Rao
Company Secretary	**CFO**

NCC INFRASTRUCTURE HOLDINGS LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash Flow from Operating Activities:		
Net Profit before Tax	(4,638.40)	(8,149.28)
Adjustments for:	-	-
Loss on Sale of investments	164.59	202.95
Diminition on value of asset	300.00	1,300.00
Provision for Obligation on Sale of Investment	1,161.33	6,551.62
Provision for Allowance of Impairment	2,666.67	-
Provision on Standard assets	5.00	9.94
Finance costs	143.82	391.30
Depreciation	6.99	8.12
Interest Income from Loan Amortization	(150.63)	(477.65)
Operating Profit / (Loss) before working capital changes	**(340.64)**	**(163.00)**
Changes in Working Capital :		-
Increase/(decrease) in Trade Payables	(7.19)	5.91
Increase/(decrease) in Liabilities	(5.23)	(113.47)
Increase/(decrease) in Provisions	(3.81)	(1,496.43)
(Increase)/decrease in Trade Receivables	-	(4.92)
(Increase)/decrease in Other Assets	842.26	314.95
(Increase)/decrease in Loans and Advances	(37.34)	(25.94)
Cash generated from operations	**448.05**	**(1,482.91)**
Income taxes refunded	129.33	16.80
Net Cash flow from operating activities: (A)	**577.38**	**(1,466.11)**
B. Cash Flow from Investing Activities:		
Purchase of property Plant & Eqipment	-	(1.11)
Proceeds from sale of investments	-	28,542.97
Purchase of Investment	-	(24,023.53)
Net cash flow from investing activities (B)	-	**4,518.33**
C. Cash Flow from Financing Activities:		
Repayment of the current portion of borrowings	(488.60)	(2,283.27)
Finance cost paid	(143.82)	(391.30)
(Increase)/decrease in Loans and Advances	(9.00)	(318.00)
Net cash flow used in financing activities (C)	**(641.42)**	**(2,992.57)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**(64.04)**	**59.65**
Cash and cash equivalents at the beginning of the year	87.30	27.65
Cash and cash equivalents at the end of the period	23.26	87.30
	(64.04)	**59.65**

Accompanying notes forming part of the financial statements

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.

As per our Audit Report of even date attached

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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: 08-05-2019

For and on behalf of the Board

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

NCC INFRASTRUCTURE HOLDINGS LIMITED
Statement of Changes in Equity for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated
Equity Share Capital

Description	Number of Shares	Amount
Balance as at March 31, 2017	6,961	69,605
Add: Equity shares allotted during the year		
Balance as at March 31, 2018	6,961	69,605
Add: Equity shares allotted during the year	-	-
Balance as at March 31, 2019	6,961	69,605

Other Equity

Description	Retained Earnings	Reserves		Security Premium Account	Other Comprehensive Income	Total
		Reserve Under Section 45 IC - RBI Act	General Reserve			
Opening balance as at March 31, 2017	**(12,634.61)**	**23.85**	**18.50**	**2,856.45**	-	**(9,735.81)**
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(8,493.53)	-	-	-	-	(8,493.53)
Remeasurements of the defined benefit plans	-	-	-	-	0.42	0.42
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2018	**(21,128.12)**	**23.85**	**18.50**	**2,856.45**	**0.42**	**(18,228.91)**
Changes in accounting policy / prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-
Profit for the year	(4,636.68)					(4,636.68)
Remeasurements of the defined benefit plans	-			-	(1.72)	(1.72)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Any other changes (to be specified)	-	-	-	-	-	-
Balance as at March 31, 2019	**(25,764.82)**	**23.85**	**18.50**	**2,856.45**	**(1.30)**	**(22,867.31)**

Accompanying notes forming part of the financial statements
As per our Audit Report of even date attached
for K.P.Rao & Co
Chartered Accountants
FRN: 003135S

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

K.Viswanath
Partner
Membership No. 022812

Place: Hyderabad
Date: 08-05-2019

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

NCC Infrastructure Holdings Limited
Notes forming part of the financial statements

1. Corporate Information

NCC Infrastructure Holdings Limited ("the Company") is an unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is registered with the Reserve Bank of India ("the RBI") as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company. The company is engaged in setting up infrastructure projects through special purpose entities and investing in the said entities by way of equity / debt participation. The Company also provides project management consultancy services to such infrastructure projects. The Company is a subsidiary of NCC Limited.

1.1 Applicability of Indian Accounting Standards (Ind AS) :

These Financial Statements of the Company, for the reporting periods ended after March 31, 2017 have been prepared in accordance with Indian Accounting Standards (Ind AS). For the purpose of transition into Ind AS, the Company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standard, with April 1, 2017 as the transition date and IGAAP as the previous GAAP.

1.2 Exemptions availed on first time adoption of Ind AS

i) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively from transactions occurring on or after April, 1, 2017 (transition date).

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
- Level 3 inputs are unobservable inputs for the asset or liability.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

2.3 Applicable from 1 April 2019 New Accounting Standards

On 30th March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116-Leases which is applicable from 1st April 2019. Ind AS 116 changes the method of accounting for leases. Excluding short-term and small ticket leases, the lessee would have to account for all other leases as a right-to-use asset in their financial statements and recognise a corresponding liability to pay the lessor. THE COMPANY would be implementing Ind AS 116 with effect from Q1 2020. In accordance with the transition provisions of Ind AS 116, differences on adoption would be adjusted to retained earnings as

2.4 Amendments to Accounting Standards

On 30th March 2019, the MCA made the following amendments to accounting standards:

2.5 Ind AS 19 – Employee Benefits Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. THE COMPANY does not expect this amendment to have any significant impact on its financial statements.

The principal accounting policies are set out below.

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.

2.8 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

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

2.10 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

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

2.11. 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.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
3. Cash and Cash Equivalents			
Cash on Hand	0.37	0.01	0.02
Balance with banks:			-
In Current Account	22.88	87.29	27.64
Total	**23.26**	**87.30**	**27.66**
4. Trade Receivables			
(Unsecured, considered good)			
Other trade receivables	25.92	25.92	21.00
Total	**25.92**	**25.92**	**21.00**
(5) Other Receivables			
Holdback Amounts from Sale consideration	240.26	1,247.11	1,765.01
Consideration on account of Share Sale receivable	900.00	-	-
Unsecured Loan Provided to HSPL (Refer Note 25)	2,666.67	-	-
Less : Allowance of Impairment Loss	(2,666.67)	-	-
Total	1,140.26	1,247.11	1,765.01
6.Long Term Loans and Advances			
Loans and advances to related parties with in India (Refer Note 30(d)(a))			
(Unsecured, considered good)			
Associates	1,350.76	1,200.13	1,066.29
	1,350.76	1,200.13	1,066.29
(Unsecured, Considered doubtful)			
Subsidiaries	142.09	142.09	142.09
Enterprises owned or significantly influenced by key management personnel or their relatives	195.70	195.70	195.70
	337.79	337.79	337.79
Less : Allowance of Impairment Loss	(337.79)	(337.79)	(337.79)
	-	-	-
Other Loans Advances	-	2,666.67	3,049.27
Total	**1,350.76**	**3,866.80**	**4,115.56**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

7. Investments		As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
7.1	**Investments (With in India)**			
	in Equity Instruments in Subsidiaries	15,465.35	15,465.35	14,997.35
	in Equity Instruments in Associates	4,600.00	6,200.00	6,349.99
	In Compulsory Convertible in to Equity Debentures IN Group companies	24,023.53	24,023.53	-
		44,088.88	**45,688.88**	**21,347.34**
	Allowance for Impairment (With in India)	5.00	1,300.00	-
		44,083.88	44,388.88	21,347.34
7.2	**Investments (With in India)**			
	in Equity Instruments in Others	-	757.46	32,567.86
		44,083.88	**45,146.34**	**53,915.21**

7.3	**Details of Investments**			
	Investments carried at fair value through Profit and Loss			
	A. In Equity Shares of Rs.10/- each, fully paid up			
	(i) In Subsidiaries			
	Samashti Gas Energy Limited	5.00	5.00	5.00
	(50,000 Equity shares (March 31, 2018: 50,000 Equity Shares)			
	Less: Provision for diminution in value of Investments	5.00	-	
		-	5.00	5.00
	NCC Infra Limited	5.00	5.00	5.00
	(50,000 Equity shares (March 31, 2018: 50,000 Equity Shares)			
	Add : Equity Component Loan reclassified to Investment	1,768.00	1,768.00	1,300.00
		1,773.00	**1,773.00**	**1,305.00**
	OB Infrastructure Limited (Refer Notes 7.5 (a))	12,455.43	12,455.43	12,455.43
	(9,447,681 Equity shares (March 31, 2018: 9,447,681 Equity Shares)			
	Savitra Agri Industrial Park Private Limited	1,231.92	1,231.92	1,231.92
	(69,600, Equity shares (March 31, 2018: 69,600 Equity Shares)			
	(ii) In Associate companies			
	Pondicherry Tindivanam Tollway Limited (Refer Notes 7.5 (b))	3,351.44	3,351.44	3,351.44
	(3,387,940 Equity shares (March 31, 2018: 3,387,940 Equity Shares)			
	Add : Fairvalue Ammortization value to Investment	2,848.55	2,848.55	2,998.55
	Less: Provision for diminution in value of Loan	1,600.00	1,300.00	-
		4,600.00	4,900.00	6,349.99
	B. In Compulsorily Convertible in to Equity Debentures			
	(i) Promoter Group Company			
	Gayatri Energy Ventures Private Limited	24,023.53	24,023.53	-
		44,083.88	44,388.88	21,347.34
7.4	**Details of Investments of Current Investments**			
	Current Investments (AT COST)			
	Trade Investments (Unquoted)			
	A. In Equity Shares of Rs.10/- each, fully paid up			
	(i) In Other Entities			
	Sembcorp Gayatri Power Limited	-	-	28,542.97
	345,752,370 Equity shares (March 31, 2018: NIL)			-
	Himachal Sorang Power Limited (Refer Note Note 23)	-	4,024.89	4,024.89
	3,991,490 Equity shares (March 31, 2018: 3,991,490 Equity Shares)		-	-
	Less : Advance sale consideration against shares transfer		3,267.43	-
		-	757.46	32,567.86
	Aggregate Amount of Quoted Investments	-		-
	Aggregate Amount of Unquoted Investments	44,083.88	45,146.34	53,915.21
	Aggregate Market Value of Quoted Investments	-		-

Notes:

7.5 (a) Of these 4,818,369 Shares (March 31, 2018 : 4,818,369 shares) are pledged with IDBI Trusteeship Services Limited as security for NCD issued by OB Infrastructure Limited

7.5(b) Of these 1,853,656 Shares (March 31, 2018 :1,853,656 shares) are pledged with Axis Bank & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Limited. 83,415 shares physically pledged with Axis Bank & WITCO. Also 702,667 shares purchased from NCC Limited (the Holding Company) during 2016-17, but transfer yet to be made to the Company.

K. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
8. Other Financial Assets			
(Unsecured, considered good)			
(i) Loans & Advances to related Parties (with in India)	8,953.45	8,944.45	8,919.45
	8,953.45	8,944.45	8,919.45
(ii) Interest accrued on loans	108.38	108.38	108.38
Less : Provision for Interest Accrued on doubtful Loan	(108.38)	(108.38)	(108.38)
	-	-	-
10. Other Non-Financial Assets			
Advance income tax & tax deducted at source (net off)	55.36	184.69	213.48
GST Input Credit	50.64	11.99	-
Prepaid Expenses	0.48	1.40	1.27
Advances recoverable in cash or in kind or for value to be received	0.10	1.41	0.59
Total	**106.57**	**199.49**	**215.34**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the Financial Statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

9. Property, Plant & Equipment

Tangible Assets	Gross Block at cost				Depreciation				Net Block	
	As at April 01, 2018.	Additions	Disposals / Discarded	As at March 31, 2019	Upto April 01, 2018	Depreciation for the period	Disposals / Discarded	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Furniture and Fixtures	3.46	-	-	3.46	3.39	-	-	3.39	0.07	0.07
Vehicles	85.12	-	-	85.12	34.22	6.39	-	40.61	44.51	50.90
Office equipment	39.83	-	-	39.83	37.47	0.60	-	38.08	1.76	2.36
Total	**128.41**	-	-	**128.41**	**75.08**	**6.99**	-	**82.08**	**46.33**	**53.33**
As at March 31, 2018	127.31	1.10	-	128.41	66.96	8.12	-	75.08	53.32	60.35

9a. Property Plant & Equipment

Tangible Assets	Gross Block at cost				Depreciation				Net Block	
	As at April 01, 2017	Additions	Disposals / Discarded	As at March 31, 2018	Upto March 31, 2017	Depreciation for the year	Disposals / Discarded	Upto March 31, 2018	As at March 31, 2018	As at March 31, 2017
Furniture and Fixtures	3.46	-	-	3.46	3.39	-	-	3.39	0.07	0.07
	-	-	-		-	-	-			
Vehicles	85.12	-	-	85.12	26.84	7.38	-	34.22	50.90	58.28
	-	-	-		-		-			
Office equipment	38.73	1.10	-	39.83	36.73	0.74	-	37.47	2.36	2.00
Total	**127.31**	**1.10**	-	**128.41**	**66.96**	**8.12**	-	**75.08**	**53.32**	**60.35**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
11 TRADE PAYABLES			
Other than acceptances			
a) Due of Micro Enterprises and Small Enterprises	-	-	-
b) Dues of Creditors other than Micro and Small Enterprises	18.63	25.82	19.91
	18.63	**25.82**	**19.91**
12 Borrowings :			
Loan from Holdings Company (Refer Note 12a)	844.10	1,333.65	2,591.18
	844.10	1,333.65	2,591.18
13 OTHER FINANCIAL LIABILITIES			
Interest Accrued but not due on Loan from Holding company	-	-	110.20
Sale consideration received in Advance	-	-	3,267.43
	-	**-**	**3,377.63**
12 a. Loan taken from the holdings company, NCC Limited which carries an interest of 12% pa. Repayable within two months after March31, 2019 as mutually agreed upon with holding company.			
14 Provisions			
Provision for employee benefits:			
Provision for gratuity	1.37	2.49	1.43
Provision for compensated absences	13.05	15.74	13.23
Provision for Commitments	-	-	1,500.00
Statutory remittances	2.11	7.34	10.61
Provison on Standard Assets	70.61	70.61	60.67
	87.13	**96.18**	**1,585.94**
15 OTHER Non - FINANCIAL LIABILITIES			
Provision pursuant to HSPL Arbitration Award on account of sale of Investment in HSPL -(Refer Note No.25)	8,042.84	6,738.96	1,595.69
	8,042.84	**6,738.96**	**1,595.69**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

16. SHARE CAPITAL	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Amount	Number	Amount	Number	Amount
Authorised						
Equity Shares of Rs.10/-each	75,00,00,000	75,000.00	75,00,00,000	75,000.00	75,00,00,000	75,000.00
	75,00,00,000	**75,000.00**	**75,00,00,000**	**75,000.00**	**75,00,00,000**	**75,000.00**
Issued, Subscribed and Fully Paid Up						
Equity Shares of Rs.10/-each	69,60,50,446	69,605.04	69,60,50,446	69,605.04	69,60,50,446	69,605.04
	69,60,50,446	**69,605.04**	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**

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

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Amount				
At the beginning of the year	69,60,50,446	69,605.04	69,60,50,446	69,605.04	69,60,50,446	69,605.04
Issued during the Period	-	-				
At the end of the Period	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**	**69,60,50,446**	**69,605.04**

(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 remaining assets of the company, after distribution of all liabilities. The distribution will be in proportion to the number of

(c) Shares held by the Holding company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	Number	Rupees				
NCC Limited	43,24,37,351	4,324.37	43,24,37,351	4,324.37	38,28,27,745	3,828.28

(d) Details of share holders holding more than 5% share in the Company

	As at March 31, 2019		As at March 31, 2018		As at April 01, 2017	
	No. of Shares	% Holding				
NCC Limited (the Holding Company - along with its nominees)	43,24,37,351	62.13%	43,24,37,351	62.13%	38,28,27,745	55.00%
Gayathri Energy Ventures Private Limited	26,36,13,095	37.87%	26,36,13,095	37.87%	31,32,22,701	45.00%

(e) Details of shares issued for consideration other than cash:

	No of Shares	Amount in Rs.	No of Shares	Amount in Rs.
Bonus Shares to NCC Limited in the year 2013-2014 (the Holding Company)	40,97,30,426	40,973.04	40,97,30,426	40,973.04

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

17. Notes to Other Equity	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Securities premium account			
Opening balance	2,856.45	2,856.45	2,856.45
Closing balance	**2,856.45**	**2,856.45**	**2,856.45**
General Reserve			
Opening balance	18.50	18.50	18.50
Closing balance	**18.50**	**18.50**	**18.50**
Reserve under Section 45 IC of RBI Act, 1934			
Opening balance	23.85	23.85	23.85
Closing balance	**23.85**	**23.85**	**23.85**
Other Comprehensive Income (Refer Note 32)	(1.29)	0.42	-
Surplus/(deficit) in the Statement of Profit and Loss			
Opening balance	(21,128.14)	(12,634.61)	(8,927.22)
Add: (Loss)/ Profit for the period/year	(4,636.68)	(8,493.53)	(3,707.40)
Closing balance	**(25,764.83)**	**(21,127.72)**	**(12,634.61)**
Total of Reserves and Surplus	**(22,867.31)**	**(18,228.91)**	**(9,735.81)**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

	Year Ended March 31, 2019	Year Ended March 31, 2018
18. REVENUE FROM OPERATION		
(i) Others		
Co-ordination Services Fees	48.00	48.00
	48.00	**48.00**
19. OTHER INCOME		
(i) Interest on I.T.Refund	42.35	4.25
(ii)Net gain on derecognition of fiancial instruments(amortised cost)	150.63	133.83
	192.98	**138.08**
20. Finance Cost on financial Liabilities at Ammortized Cost		
Interest on ICD to Holding Company	95.21	302.04
Commission on Bank Guarantee	48.21	87.74
Bank Charges	0.40	1.52
	143.82	**391.30**
21. Impairment on Financial instruments		
Provision for standard assets - RBI Circular	-	9.94
Provision for Investment - Subsidiary	5.00	-
	5.00	**9.94**
22. EMPLOYEE BENEFITS		
Salaries, Wages & Other allowances	129.70	140.35
Contribution to Provident funds	6.67	8.17
Staff welfare expenses	0.92	0.92
	137.29	**149.44**
23. OTHER EXPENSES		
Rent	8.48	9.43
Rates and Taxes	0.57	0.63
Power charges	3.25	3.48
Travelling and Conveyance	11.28	17.64
Insurance	1.87	5.34
Repairs and Maintenance - other assets	0.55	0.15
Professional Charges	10.36	67.75
Audit Fees	4.30	3.25
Director Sitting Fees	8.75	-
Office Maintenance	1.77	2.02
Arbitration Costs	238.35	71.08
Miscellaneous Expenses	2.47	3.15
Refund from SIAC	-	(117.68)
Other receivables written off	164.59	202.95
	456.57	**269.19**
23.1 Audit Fees		
Statutory Audit Fee	2.60	2.60
Tax audit Fee	0.45	0.45
Other Services	1.25	0.20
	4.30	**3.25**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

24. Contingent Liabilities and commitments (to the extent not provided for)

	As at March 31, 2019	As at March 31, 2018
Contingent liabilities :	NIL	NIL

25. Sale of Investment in HSPL

The Company, during the year 2012-13, entered into a Securities Purchase Agreement (SPA) with TAQA India Power Ventures Private Ltd - formerly TAQA Jyothi Energy Ventures Private Ltd (TAQA) for sale of 41,44,300 equity shares of Rs. 10/- each and 78,58,900 Zero Coupon Irredeemable Fully Convertible Debentures held by it in Himachal Sorang Power Limited (HSPL).

In terms of SPA, the sale of shares to be effected in two tranches viz initial sale and subsequent sale.

- Initial Sale (on the date of the SPA) envisaged transfer of : 152810 shares and 7858900 Zero Coupon Irredeemable Fully Convertible Debentures of Rs. 10/- each of HSPL held by the company and the same completed and realized the proceeds

- In respect of Subsequent Sale Shares Transfer, the consideration of INR Rs.402489083/- was received pending tranfer, however on 22.01.2019, 3991490 equity shares @ Rs. 10/- each of HSPL held by the company were tranferred to Beneficial Owner. Hence, Sale consideration receivable on account of subsequent sale Rs. 9,00,00,000/- shown under Other receivables.

During the year 2012-13, the management has estimated and made a provision of Rs. 51,95,68,675/- towards its obligation to meet cost over runs, contingencies, etc. During 2014 - 15 TAQA invoked bank guarantee of Rs.36,00,00,000 submitted by the Company as security adjusted with this provision. During 2017-18 Receivable amounts on account of advances paid to HSPL for expenses Rs.. 140834224/- adjusted with this provision. The net provsion amount of Rs.18734451/- presented under 'Provision pursuant to sale of investments in HSPL .

In terms of SPA, the Company had obligation to achieve wet commissioning by March 2013 within agreed cost of Rs.890 Crores and failing which has to bear the cost over run exceeding Rs 890 Crores, subject to relevant clauses in terms of SPA.

TAQA has taken control of operations of HSPL effective from December 2012 by taking over the majority control in the Board of Directors of HSPL. Further, TAQA also took over the management of the project of HSPL during December 2013.

During 2014 - 15, TAQA and HSPL had invoked the arbitration proceedings under the SPA, in Singapore International Arbitration Centre, detailing various disputes / claims aggregating to Rs. 409,89,88,202/-, which is revised to Rs. 671,42,90,000/- during the Arbitration Process. The Company denied all the disputes / claims in its entirety and also raised Counter Claims aggregating to Rs. 210,33,49,952/- (subsequently revised to Rs. 78,50,25,093/-). The Learned Arbitral Tribunal has while quashing the claims of TAQA, has allowed certain claims of HSPL Amounting to Rs 108,38,25,790/- (after adjustments of receivables) together with interest commencing on varied dates

Aggrieved by the order of the learned Tribunal, the company is initiating the process to challenge the award in the Courts of Singapore as per the SIAC Rules and the International Arbitration Act.

In the meantime in March 2018 TAQA and HSPL has filed a petition before the honourable High Court of Delhi for Enforcement of a Foreign Award and the Company has raised preliminary objections on the grounds of Jurisdication and the next hearing is slated on 23rd May 2019.

Based on the above developments, part of review of the case scenarios and as prudent practice, management has provided Rs.65.51 Crores as provision for "Pursuant to sale of Investment of HSPL ." on 31.03.2018. Further the company reviewed the process of arbitration and made additional provision for an amount of INR 11.61 Cr. on account of "Pursuant to Sale of Investment of HSPL" . and further provision for allowance of Impairment on account Unsecured loan paid Rs. 26.67 Cr to HSPL.

26 : Provision for Diminution in the value of Investments / for recoverability of advances of Associates

The company has invested in Equity and advance monies in Pondicherry Thindivanam Tollway Private Limited, have incurred losses during the year and also accumulated losses at the reporting period. Hence, during the year under report, the company made a provision of Rs. 3 Cr. for dimunition on Value of Investments basing on fairvalue measurement by considering future cashflow and certain claims receivable.

27. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act, have not been given.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

NCC Infrastructure Holding Limited

Notes to Financial Statements for the year ended March 31, 2019

28. Employee Benefits

In Accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eleigible employees. The liability on account of gratuity is covered partially through a recognized Gratuity fund managed by Life Insurance Corporation of India (LIC)and balance is provided on the basis of valuation of liability by an Independent actuary as at the year end. The management understands that LIC overall portfolio of assets is well divversified and as such, the long term return on the policy is expected to be higher that the rate of return on Central Government bonds.

(i) "Liability for retiring gratuity as on March 31, 2019 is Rs.12.21 lakhs (March 31, 2018: 16.67 lakhs) of which Rs. 10.84 lakhs (March 31,2018 Rs. 14.17 lakhs)is funded with the Life Insurance Corporateion of India. The balance of Rs.1.37 lakhs (March 31, 2018 Rs. 2.49 lakhs) is included in provision for Gratuity.

The liability cost of compensated absence Rs. 13,04,898/- (March 31, 2018 Rs. 15,73,671/-) are unfunded and has been actuarially determined and provided for in books of account.

Details of the company's post retirement gratuity plans for its employees including wholetime directors are given below, which is certtified by the actuary

Rs. Lakhs

Amount to be rerecognized in Balance sheet	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Present value of defined benefit obligation	12.21	16.67	14.97
Fair value of plan assets	(10.84)	(14.17)	(13.08)
Net Liability	**1.37**	**2.50**	**1.89**
The above Liability Classified as			
Long Term	**11.59**	**15.81**	**14.09**
Short Term	**0.62**	**0.86**	**0.88**
Expenses recongnised in Statement of Profit and Loss	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Current service cost	0.49	1.15	1.41
Interest cost	0.16	0.97	1.14
Net actuarial (gain)/loss through P&L	**0.65**	**2.12**	**2.55**
Net actuarial (gain)/loss through OCI	1.72	(0.42)	1.61
Net benefit expense	**2.36**	**1.70**	**4.16**
Change in present value of the defined benefit obligations	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Opening defined benefit obligation	16.67	14.97	18.17
Current service cost	0.49	1.15	1.41
Interest cost	1.03	0.97	1.14
Benefits paid	(7.58)	(1.31)	(7.35)
Actuarial (gains)/losses on obligation	1.61	0.90	1.61
Closing defined benefit obligation	**12.21**	**16.68**	**14.97**
Assumptions for gratuity and Leave encashment	**March 31, 2019**	**March 31, 2018**	**April 01, 2017**
Discount rate	8%	8%	8%
Rate of increase in compensation levels	6%	6%	6%
Rate of return on plan assets	6%	6%	6%
Adjusted average future service	22.36	16	16

29. Segment Information

The Company's operations predominantly consist of Investment in Group Companies. Hence there are no reportable segments under Ind AS 108. During the year under report, the Company's business has been carried in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

NCC Infrastructure Holding Limited
Notes to the financial statements for the period ended March 31, 2019
All Amounts in Rupees in Lakhs unless otherwise stated

30. Related party transactions

a) List of related parties and relationship

Name of the Related party	**Relationship**
M/s. NCC Limited	Holding Company
M/s. Gayatri Energy Ventures Private Limited	Promoter Group Company
M/s. Samishti Gas Energy Limited	Subsidiary
M/s. NCC Infra Limited	Subsidiary
M/s. OB Infrastructure Limited	Subsidiary
M/s. Savitra Agri Industrial Park Private Limited	Subsidiary
M/s. Pondicherry Thindivanam Tollway Limited	Associate
M/s. Himalayan Green Energy Private Limited M/s. Sirisha projects Private Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Mr. Raghu Varma Alluri, Whole Time Director Mr. S.Jogarao, Company Secretary Ms. Priyanka Rajora (w.e.f as CS 01.08.2017) Mr. K. Sriram Raju, C.F.O. Mr. Y.Venkateswara Rao (w.e.f.as CFO 01.11.2017)	Key Managerial Personnel

b) Related party transactions entered into during the year are as follows

	Year ended March 31, 2019	Year ended March 31, 2018
(i) Inter Corporate Deposit Received		
M/s. NCC Limited	241.56	1,588.74
(ii) Interest on Inter Corporate Deposit	-	-
M/s. NCC Limited	95.21	302.04
(iii) Expenses/BG Commission debited by the holding company	-	-
M/s. NCC Limited	48.21	85.15
(iv) Inter Corporate Deposit Refunded	-	-
M/s. NCC Limited	816.79	2,932.02
(v) Interest on Inter Corporate Deposit Refunded		
M/s. NCC Limited	48.21	412.23
(vi) Loans/Advances given	-	-
M/s. NCC Infra Limited	-	468.00
M/s Savitri Agri Industrial Park Private Limited	9.00	25.00
(vii) Loans/Advances refund received	-	-
M/s. Pondicherry Thindivanam Tollway Limited	-	150.00
M/s. Samishti Gas	4.20	
(viii) Management Fee (Excluding Servicetax)	-	-
M/s. OB Infrastructure Limited	48.00	48.00
(ix) Rent Paid	-	-
M/s. Sirisha projects Private Limited	8.48	9.43
(xx) Remuneration paid to Key Managerial Personnel		
Mr. Raghu Varma Alluri	70.60	70.60
Mr. S.Jogarao	-	12.72
Ms. Priyanka Rajora	8.29	5.31
Mr. K.Srirama Raju	-	9.52
Mr. Y.Venkateswara Rao	10.09	10.00
(c) Credit Balances Outstanding		
(a) Inter Corporate Deposit from Holding Company		
M/s. NCC Limited	844.10	1,333.65
(b) Interest Accrued but not Due on ICD		-
M/s. NCC Limited	-	-

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

NCC Infrastructure Holding Limited

Notes to the financial statements for the period ended March 31, 2019

All Amounts in Rupees in Lakhs unless otherwise stated

(d) Debit Balances Outstanding		-
(a) Long Term Loans/Advances		-
Subsidiaries		-
M/s. Samishti Gas	142.09	142.09
M/s. NCC Infra Limited	1,768.00	1,768.00
In Associates		-
M/s. Pondicherry Thindivanam Tollway Limited	1,350.76	1,200.12
In Enterprises owned or significantly influenced by key management personnel or their relatives		-
M/s. Himalayan Green Energy Private Limited	195.70	195.70
(b) Short Term Loans/Advances		
Subsidiaries		
M/s Savitri Agri Industrial Park Private Limited	8,953.45	8,944.45
(c) Interest Accrued on Loans		-
M/s. Himalayan Green Energy Private Limited	108.38	108.38
(d) Trade Receivables		-
M/s. OB Infrastructure Limited	25.92	25.92

31. Earnings per share (EPS)

	Year Ended March 31 2019	Year Ended March 31 2018
Net Profit/(Loss) after tax available for equity shareholders	(4,636.68)	(8,493.53)
Weighted average no of equity shares for Basic EPS	6,960.50	6,960.50
Weighted average no of equity shares for diluted EPS	6,960.50	6,960.50
Face value per share	10.00	10.00
Basic EPS	(0.67)	(1.22)
Diluted EPS	(0.67)	(1.22)

32. During the current reporting period Acturial gains and losses on Defined Benefit plans have been presented in Other Comprehensive Income. Accordingly previous year amounts also reclassified as the same was presented in Proft & Loss account

Signatories to Note "1 to 32"

for and on behalf of the board

K.P. RAO & CO. CHARTERED ACCOUNTANTS BANGALORE FRN 003135S

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO

Place : Hyderabad
Date : 08-05-2019

NCC INFRASTRUCTURE HOLDINGS LIMITED
Notes to the financial statements for the period ended March 31.03.2019
All Amounts in Rupees in Lakhs unless otherwise stated
Note No: 33 Transition to Ind As

(i) Transition to Ind AS
(ii) Reconciliation of equity as previously reported under Indian GAAP to Ind-AS
(iii) Reconciliation of profit or loss as previously reported under Indian GAAP to Ind-AS
(iv) Reconciliation of other comprehensive income as previously reported under Indian GAAP to Ind-AS
(v) Reconciliation of cash flow as previously reported under Indian GAAP to Ind-AS

(i) Transition to Ind AS

The Company has prepared the opening Balance Sheet as per Ind AS as of April 1, 2017 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities.

(ii) Effect of Ind-AS adoption on the balance sheet as at March 31, 2018

Particulars	Previous GAAP	Effect of transition ot Ind AS	As per Ind AS balance sheet
Assets			
Financial Assets			
(i) Cash and cash equivalents	87.30		87.30
(ii) Trade receivables	25.92		25.92
(iii) Other Receivables	1,247.11	2,666.67	1,247.11
(iv) Loans	8,349.52	(7,149.39)	3,866.80
(v) Investments	40,529.79	4,616.55	45,146.34
Other non-current asset	196.68	8,944.45	8,944.45
	50,436.32	9,078.28	59,317.92
Non-Financial Assets			
Property, Plant and Equipment	53.33		53.32
Other current assets	8,947.26	(8,944.45)	199.49
	9,000.59	(8,944.45)	252.81
Total Assets	**59,436.91**	**133.83**	**59,570.73**
Financial Liabilities			
(i) Trade payables	25.83		25.82
Other current liabilities	1,340.98		1,333.65
Non-Financial liabilities			
Provisions	6,742.41		6,738.96
Other Non-financial Liabilites	85.40		96.18
Equity and Liabilities			
Equity Share capital	69,605.04		69,605.04
Other Equity	(18,362.75)	133.83	(18,228.91)
	51,242.30	133.83	51,376.13
Total Equity and Liabilities	**59,436.91**	**133.83**	**59,570.74**
			(0.01)

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

(iii) **Effect of Ind-AS adoption on the balance sheet as at April 01, 2017**

Particulars	Previous GAAP	Effect of transition ot Ind AS	As per Ind AS balance sheet
Assets			
Financial Assets			
(i) Cash and cash equivalents	27.66		27.66
(ii) Trade receivables	21.00		21.00
(iii) Other Receivables	1,765.01	3,049.27	1,765.01
(iv) Loans	8,414.12	(7,347.83)	4,115.56
(i) Investments	49,616.65	4,298.55	53,915.21
Other non-current asset	8,921.32		8,919.45
	68,765.76	-	68,763.89
Non-Financial Assets			
Property, Plant and Equipment	60.34		60.35
Other current assets	213.48		215.34
	273.82	-	275.69
Total Assets	**69,039.59**	**-**	**69,039.58**
Financial Liabilities			
(i) Trade payables	19.91		19.91
Borrowings			2,591.18
Other current liabilities	5,979.42		3,377.63
Non-Financial liabilities			
Provisions	1,595.69		1,595.69
Other Non-financial Liabilites	1,575.33		1,585.94
Equity and Liabilities			
Equity Share capital	69,605.04		69,605.04
Other Equity	(9,735.81)	-	(9,735.81)
	59,869.24	-	59,869.23
Total Equity and Liabilities	**69,039.58**	**-**	**69,039.58**

K.P. RAO & CO. ★ BANGALORE FRN: 003135S ★ CHARTERED ACCOUNTANTS

(iv) Effect of Ind-AS adoption on the statement of profit and loss for the year ended March 31, 2018

Particulars	Previous GAAP	Effect of transition ot Ind AS	As per Ind AS balance sheet
Income			
(i) Net gain on financial instrument designated at fairvalue -Unrealised		133.83	133.83
(ii) Co-ordination Services Fee from subsidiary	48.00		48.00
			-
Other Income	4.25		4.25
Total Income (A)	**52.25**	**133.83**	**186.08**
Expenses			
(i) Finance Costs	391.30		391.30
(iii) Employee Benefit Expenses	149.02		149.44
(iv) Depreciation, amortization and impairment	8.12		8.12
(v) Other Expenses	66.24		269.19
Provision for standard assets - RBI Circular	9.94		9.94
Other receivables written off	202.95		-
Total expenses	827.56	-	827.99
Profit/(loss) before exceptional items and tax	(775.31)		(641.91)
Exceptional items:			
Obligation on Sale Investment	6,551.62		6,551.62
Dimunition on value of Investment	1,300.00		1,300.00
	7,851.62	-	7,851.62
Profit before tax (A-B)	(8,626.93)	-	(8,493.53)
Tax Expense			
Current tax (incl earlier years tax)	-		-
Deferred tax	-		-
Total tax expense (D)	-	-	-
Profit for the year (C-D)	(8,626.93)	-	(8,493.53)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of the defined benefit plans	-	-	0.42
Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Items that may be reclassified to profit or loss			
Exchange difference in translating the financial statements of foreign operations	-	-	-
Income tax relating to items that may be reclassified to profit or loss	-	-	-
Total Total comprehensive income for the period	**(8,626.93)**		**(8,493.11)**

(v) Reconciliation of total comprehensive income for the year ended March 31, 2018

	Year ended March 31, 2018
Profit as per previous GAAP	(8,626.93)
Adjustments	
Fair valuation of investments under Ind AS	133.83
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	-
Total effect of transition to Ind-AS	**133.83**
Profit for the year as per Ind-AS	(8,493.11)
Other Comprehensive Income for the year	
Total Comprehensive Income for the year	**(8,493.11)**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

(vi) Reconciliation of total equity as at March 31, 2018 and April 01, 2017

	As at March 31, 2018	As at April 01, 2017
Total equity (shareholders funds) under previous GAAP	51,242.30	59,869.24
Recognition of deferred taxes using the balance sheet approach under Ind AS	-	
Fair valuation of investments under Ind AS	133.83	
Total adjustment to equity	**133.83**	-
Total equity under Ind AS	**51,376.13**	**59,869.24**

(vii) Analysis of cash and cash equivalents as at March 31, 2018 and as at April 01, 2017 for the purpose of statement of cash flows under Ind-AS

	As at March 31, 2018	As at April 01, 2017
Cash and cash equivalents for the purpose of statement of cash flows as	87.30	27.66
Adjustments on account of transition to Ind-AS	-	-
Cash and cash equivalents for the purpose of statement of cash flows under Ind-AS	**87.30**	**27.66**

34 Under previous GAAP, the presentation of Balance Sheet was based on the erstwhile Schedule III of the Companies Act 2013, now Schedule III Division II of the Companies Act 2013. Under Ind AS, specified items of financial assets, financial liabilities, current income tax and provision are required to be presented separately in line with the Schedule III Division I of the Companies Act 2013.

35 Under previous GAAP, there was no concept of other comprehensive income. Under Ind AS, specified items of income, expenses, gains, or losses are required to be presented in other comprehensive income.

K.P. RAO & CO.
BANGALORE
FRN: 003135S
CHARTERED ACCOUNTANTS

All Amounts in Rupees in Lakhs unless otherwise stated

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

	As at March 31, 2019	As at March 31, 2018	As at April 01, 2017
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:			
-Unused Business and Depreciation loss	16,175.59	11,537.19	11,334.24
-Unused Long Term Capital Loss	10,301.67	10,301.67	10,301.67
	26,477.26	21,838.86	21,635.91

37 Financial instruments

37.1 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, 2019	As at March 31, 2018	As at April 01, 2017
Equity	46,737.73	51,376.13	59,869.23
Long Term Borrowings	-	-	2,591.18
Short Term Borrowings	844.10	1,333.65	-
Cash and cash equivalents	23.26	87.30	27.66
Net debt	**867.36**	**1,420.95**	**2,618.84**
Total capital (equity + net debt)	**47,605.09**	**52,797.08**	**62,488.08**

Categories of financial instruments

	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at Cost		
Cash and bank balances	23.26	87.30
Investments	44,083.88	45,146.34
Loans	1,350.76	3,866.80
Trade Receivables	25.92	25.92
Other Receivables	1,140.26	1,247.11
Other Financial assets	8,953.45	8,944.45
Financial liabilities		
Measured at amortised cost	18.63	25.82

37.2 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

37.3 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.

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

37.4 Interest rate risk

Total borrowings, represents short term borrowings from Holding Company.

37.5 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.

37.6 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 balancesis limited because the counterparties are banks with high credit ratings assigned by credit rating agencies.

37.7 Trade and Other Receivables

The Company exposure to credit risk is influenced mainly by the individual characteristic of each customer the demographics of the customer, including the default of the industry and country in which the customer operators, also has an influence on credit reisk

	for the year ended	
Particualrs	**As at March 31, 2019**	**As at March 31, 2018**
Revenue from customers	48.00	48.00

One customer accounted for more than 10% of the revenue for the year ended March 31, 2018. However none of the customers accounted for morthan 10% of the receivable for the year ended March 31, 2018. One customer accounted for more than 10% of the revenue for the year ended March 31, 2019. However none of the customers accounted for morthan 10% of the receivable for the year ended March 31, 2019.

37.8 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, 2019:

	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	18.63	18.63	-	-	18.63
ICD and Interest thereon	844.10	844.10	0.00		844.10
			-		-
Total	**862.73**	**862.73**	**0.00**	**-**	**862.73**

The table below provides details of financial assets as at March 31, 2019

	Carrying amount	Fair Value
Investments	44,083.88	44,083.88
Loans	1,350.76	1,350.76
Other financial Assets	25.92	25.92
Total	**44,083.88**	**44,083.88**

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	25.82	25.82			25.82
ICD and Interest thereon	1,333.65	489.55	844.10		1,333.65
Total	**1,359.47**	**515.37**	**844.10**	**-**	**1,359.47**

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

	Carrying amount	Carrying amount
Investments	45,146.34	45,146.34
Loans	3,866.80	3,866.80
Other financial Assets	25.92	25.92
Total	**45,146.34**	**45,146.34**

K.P. RAO & CO. BANGALORE FRN: 003135S CHARTERED ACCOUNTANTS

37.9 Fair value measurements

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets / financial liabilities	Fair Value as at*		Fair value	Valuation techniques & key inputs used
	As at March 31, 2019	As at March 31, 2018		
Investments in unquoted equity instruments at FVTPL	24,023.53	24,023.53	Level 2	Refer Note
Investments in unquoted equity instruments at FVTPL	-	757.46	Level 2	Refer Note

*Positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:

There were no transfers between Level 1 and 2 in the period.

The Level 1 financial instruments are measured using quotes in active market

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, 2019		As at March 31, 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
Cash and bank balances	Level 2	23.26	23.26	87.30	87.30
Investments	Level 2	20,060.35	20,060.35	20,365.35	20,365.35
Loans	Level 2	1,350.76	1,350.76	3,866.80	3,866.80
Other Financial assets measured at amortised cost	Level 2	8,953.45	8,953.45	8,944.45	8,944.45
	Fair value hierarchy	As at		As at	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
- Borrowings	Level 2	844.10	844.10	-	-
- Trade payables	Level 2	18.63	18.63	25.82	25.82
- Other financial liabilities	Level 2	-	-		-

37.10 Details of Provisions

Name of the Provision	Opening Balance as at 01.04.18	Provision during 2018 - 19	Released during the period 31.03.19	Closing Balance as at 31.03.19
Provision for Standard Assets - RBI	70.61	-	-	70.61
Provision for Diminishing Value of Investment	13.00	3.00	-	16.00

K.P. RAO & CO.
BANGALORE
FRN 003135S
CHARTERED ACCOUNTANTS

Place: HYDERABAD
Date: 08-05-2019.

Raghu Varma Alluri
Wholetime Director
DIN : 01033094

Ravindranath Ratho
Director
DIN : 00076468

Priyanka Rajora
Company Secretary

Y.V.Rao
CFO