

Independent Auditors' Report

To
The Members Of
NCC Urban Infrastructure Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of NCC Urban Infrastructure Limited ("the Holding Company") and its subsidiaries, (the Holding Company, its subsidiaries and the associate, together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity 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").

Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in the terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with relevant rules issued there under. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at March 31, 2017, and its consolidated financial performance including other comprehensive income, consolidated cash flows and the consolidated changes in equity for the year then ended.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Statement of Cash Flows and consolidated Statement of Changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.



- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2017 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 controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated Ind AS financial statements disclosed the impact of all pending litigations on the Consolidated financial position of the Group - Refer Note 31.a to the consolidated Ind AS Financial Statements;
 - The Group and its associate did not have any material foreseeable losses on long term contracts including derivative contracts.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate incorporated in India.
 - The Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company, Refer Note 31.j to the consolidated Ind AS financial statements.

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S



V K Muralidhar
V K Muralidhar
Partner
Membership No.201570

Hyderabad, May 11, 2017

Annexure-A to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of NCC Urban Infrastructure Limited ("the Holding Company") and its subsidiaries, (the Holding Company, its subsidiaries and the associate, together referred to as "the Group"), which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company, its subsidiary companies and the associate incorporated in India, 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and the associate, have, 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, 2017, 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 ICAI.

for M. Bhaskara Rao & Co.

Chartered Accountants

Firm Registration No.000459S



V K Muralidhar

V K Muralidhar

Partner

Membership No.201570

Hyderabad, May 11, 2017

NCC URBAN INFRASTRUCTURE LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(Amount in Mns)

Description	Notes	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
ASSETS							
1. Non-Current Assets							
(a) Property, Plant and Equipment							
Tangible assets	3	81.57		92.73		102.74	
(b) Investment Property	4	646.02		593.78		593.78	
(c) Goodwill		6.30		6.30		6.30	
(d) Financial Assets							
(i) Investments	5	745.56		732.00		711.15	
(ii) Loans	6	452.18		405.13		351.60	
(e) Deferred Tax Assets(net)		56.43		6.01		3.00	
(f) Other Non-Current Assets	7	159.35		167.35		167.35	
			2,147.41		2,003.31		1,935.92
2. Current Assets							
(a) Inventories	8	6,665.62		5,907.56		5,562.68	
(b) Financial Assets							
(i) Trade and other receivables	9	403.87		584.08		580.36	
(ii) Cash and cash equivalents	10	49.59		77.26		78.98	
(iii) Bank balances other than (ii) above	11	48.62		39.95		32.51	
(iv) Other current financial assets	12	266.44		64.18		59.25	
(c) Current Tax Assets (Net)		12.37		1.39		-	
(d) Other Current Assets	13	78.00		149.32		204.41	
			7,524.51		6,823.73		6,518.19
TOTAL			9,671.92		8,827.04		8,454.11
EQUITY							
1. Equity							
(a) Equity Share capital	14	1,500.00		1,500.00		1,500.00	
(b) Other Equity	15	90.29		184.77		96.08	
			1,590.29		1,684.77		1,596.08
LIABILITIES							
2. Non-Current Liabilities							
(a) Financial Liabilities							
Borrowings	16	776.18		646.15		110.00	
(b) Provisions	17	22.70		27.92		21.85	
(c) Other Non-Current Liabilities	18	1,319.96		1,293.96		1,293.96	
			2,118.84		1,968.03		1,425.81
3. Current Liabilities							
(a) Financial Liabilities							
(i) Borrowings	19	4,801.90		4,177.84		4,292.46	
(ii) Trade payables	20	274.49		302.83		401.08	
(iii) Other current financial liabilities	21	238.67		126.45		96.70	
(b) Other Current Liabilities	22	646.82		566.85		628.28	
(c) Provisions	23	0.93		0.27		13.69	
			5,962.79		5,174.24		5,432.21
Total			9,671.92		8,827.04		8,454.11
Corporate information and significant accounting policies See accompanying notes to the financial statements	1 & 2						

As per our Audit report of even date attached
for M.Bhaskara Rao & Co.
Chartered Accountants

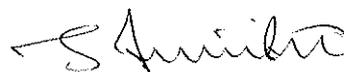

V.K. Muralidhar
Partner



for and on behalf of the Board


N.R. Alluri
Managing Director
DIN:00026723


J.S.R. Raju
Director
DIN:01158196


G. Srinivasa Rao
Chief Financial Officer


U. Ravi Kumar
Company Secretary

Hyderabad May 11, 2017

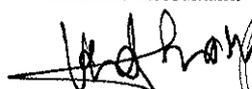
NCC URBAN INFRASTRUCTURE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Mns)

Description	Notes	Year Ended March 31, 2017		Year Ended March 31, 2016	
REVENUE					
Revenue from operations	24	828.78		1,809.42	
Other income	25	94.32		65.17	
Total Revenue			923.10		1,874.59
EXPENDITURE					
Cost of materials consumed	26	847.48		1,170.17	
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(823.98)		(385.76)	
Employees benefit expenses	28	151.64		174.44	
Finance costs	29	734.29		649.38	
Depreciation and amortization expense	3 & 4	18.07		16.41	
Other expenses	30	156.21		178.94	
Total Expenses			1,083.71		1,803.58
Profit/(Loss) Before Exceptional Items and Tax			(160.61)		71.01
Exceptional Items			-		-
Profit/(Loss) Before Tax			(160.61)		71.01
Share of Profit/(Loss) from Consolidation			13.56		20.85
Profit/(Loss) Before Tax			(147.05)		91.86
Less: Tax Expense					
- Current Tax		-		3.90	
- Wealth Tax - Earlier periods		-		0.08	
- Deferred Tax		(50.42)		(3.01)	
Adjustments relating to earlier years		-		0.50	
Profit/(Loss) for the Year			(50.42)		1.48
			(96.63)		90.39
Other Comprehensive Income					
A) Items that will not be reclassified to Profit or Loss					
Remeasurements of the defined benefit plans			(2.15)		1.70
Total Comprehensive Income for the Year			(94.48)		88.69
Earnings per Share of face value of Rs.10/- each					
Basic			(0.64)		0.60
Diluted			(0.64)		0.60
Corporate information and significant accounting policies	1 & 2				
See accompanying notes to the financial statements					

As per our Audit report of even date attached for M.Bhaskara Rao & Co.

Chartered Accountants

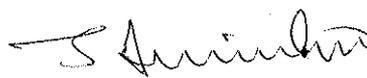

V.K. Muralidhar
 Partner



for and on behalf of the Board


N.R. Alluri
 Managing Director
 DIN:00026723


J.S.R. Raju
 Director
 DIN:01158196


G. Srinivasa Rao
 Chief Financial Officer


U. Ravi Kumar
 Company Secretary

Hyderabad May 11, 2017

NCC URBAN INFRASTRUCTURE LIMITED
Consolidated Cash Flow Statement for the Year ended March 31, 2017

(Amount in Mns)

Description	Year ended March 31, 2017	Year ended March 31, 2016
A. Cash Flow from operating activities:		
Net (Loss)/ Profit before taxation	(144.90)	90.16
Adjustment for		
Depreciation/ Amortisation	18.07	16.41
Provision for Gratuity and Leave Encashment	(4.56)	6.11
Interest and finance Charges	734.29	649.38
Loss/(Profit) on sale of Assets	(0.35)	-
Operating Profit before Working Capital Changes	602.56	762.06
Adjustment for Changes in		
Trade and Other Receivables	(1.14)	(5.53)
Inventories	(811.08)	(344.88)
Trade payables and Other Liabilities	79.88	(164.39)
Cash used in operations	(129.78)	247.26
Taxes Paid	0.36	(7.42)
Net cash (Used)/ Generated in Operating Activities	(129.42)	239.84
B. Cash Flow from Investing Activities:		
Purchase of fixed assets and other capital expenditure	(7.50)	(6.41)
Sale of Fixed Assets	1.73	-
Investments in subsidiaries	(13.56)	(20.85)
Net cash used in Investing activities	(19.33)	(27.26)
C. Cash flow from Financing activities:		
Long Term Funds (Repaid)/ borrowed	239.99	557.14
Repayment of short term Borrowings	(4.73)	15.02
Repayment to Parent Company	(614.72)	(129.64)
Proceeds received from other Corporates	1,243.50	-
Interest Paid	(734.29)	(649.38)
Net cash generated/ (used) in Financing Activities	129.75	(206.86)
Net change in Cash and Cash Equivalents (A+B+C)	(19.00)	5.73
Cash and Cash Equivalents (Opening Balance)	117.21	111.49
Cash and Cash Equivalents (Closing Balance)	98.22	117.21

As per our Audit report of even date attached
for M.Bhaskara Rao & Co.

Chartered Accountants



V.K. Muralidhar
Partner



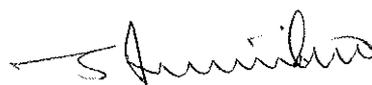
for and on behalf of the Board



N.R. Alluri
Managing Director
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Chief Financial Officer



U. Ravi Kumar
Company Secretary

Hyderabad May 11, 2017

NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

NOTE 1: CORPORATE INFORMATION

NCC Urban Infrastructure Limited ("the Company") was incorporated during 2005-2006 in Hyderabad. The Company is engaged in building/developing Residential /Commercial Buildings in various locations across India. The Company is a subsidiary of NCC Limited.

1.1 Applicability of new and revised Ind AS:

These Consolidated Financial Statements of Group for the year ended 31 March, 2017 have been prepared in accordance with Ind AS. This is the Group's first set of Financial Statements in accordance with Ind AS. For the purpose of transition into Ind AS, the Group has followed the guidance prescribed in Ind AS 101-First time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

NOTE 2: ACCOUNTING POLICIES

A. 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.

Upto the year ended March 31, 2015, the Group prepared its consolidated financial statements in accordance with the requirements of previous generally accepted accounting principles ("Previous GAAP"), which includes Accounting Standards ("AS") notified under the Companies (Accounting Standards) Rules, 2006 and prescribed under Section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable.

Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note 2.24.

2.2. Basis of preparation & presentation

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

2.3. Principles of Consolidation

NCC Urban Infrastructure Limited consolidates entities which it owns or controls. The Consolidated financial statements comprise the financial statements of the Company and its subsidiaries and the entities under its control as discussed in Note No.31.d. These are together referred to as "Group". Subsidiaries are consolidated from the date control commences until the control ceases.

The consolidated financial statements comprise the NCC Urban Infrastructure Limited ("the Company") and its subsidiaries and Associate as at 31st March, 2017 and for the year ended on that date. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or losses in accordance with Ind AS 110 on "Consolidated Financial Statements" notified under the Companies (Indian Accounting Standards) Rules,2015..

- b) Associates are entities over which the Group has significant influence but not control.



The financial statements of the Associate have been accounted using the 'Equity' method as per Ind AS 110 on 'Consolidated Financial Statements' notified under the Companies (Indian Accounting



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

Standards) Rules,2015. The investment is initially recognized at cost, and the carrying amount is increased/decreased to recognize the Company's share of profit/loss of the associate after the acquisition date.

The Company's investment in associate include goodwill identified on acquisition.

- c) The Financial Statements of the subsidiaries and Associate used in the consolidation are drawn upto the same reporting date as that of the Company i.e. March 31, 2017.
- d) The Excess of cost to the company of its investments in the subsidiaries and jointly controlled entities over the company's portion of equity is recognized in the Financial Statements as Goodwill.
- e) The consolidated financial statements are prepared to the extent possible using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements.

2.4. 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.

2.5. Property, plant and equipment:

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

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

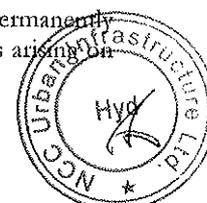
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is included in profit or loss for the period.

For transition into Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.6. Investment property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

derecognition of the property is included in profit or loss in the period in which the property is derecognised.

2.7. Depreciation:

Depreciation on Property, plant and equipment and Investment property is being provided in the manner and as per the useful lives as specified in Schedule II to the Companies Act, 2013 on all the assets except for Construction Accessories, which were depreciated over 5 years, based on the management's estimate of useful life of such assets.

No depreciation is charged on capital work in progress and free hold land.

2.8. Goodwill:

Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the statement of profit and loss. Goodwill is measured at cost less accumulated impairment losses.

2.9. 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.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

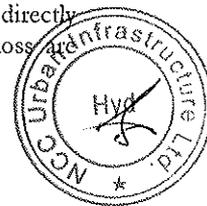
Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows, on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities.

Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost

2.10. Impairment of Assets:

Property, plant and equipment: Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial Assets: The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

2.11. Inventories

a. Raw Materials:

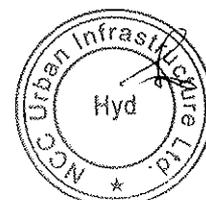
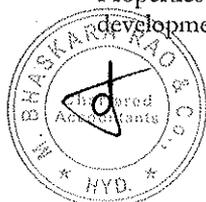
Raw Materials, Construction materials and stores and spares are valued at weighted average cost. Cost excludes refundable duties and taxes.

b. Work-in-progress:

- i. Completed properties held for sale are stated at the actual cost or net realizable value, whichever is lower.
- ii. Construction work-in-progress is valued at cost. Cost is sales value less estimated profit margin.

c. Property Development:

Properties held for sale or development is valued at cost. Cost comprises cost of land and direct development expenditure.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

2.12. Revenue Recognition:

- a. Revenue from the sale of properties is recognized on transfer of all significant risks and rewards of ownership to the buyers, which coincides with the entering into a legally binding agreement and it is not unreasonable to expect ultimate collection and no significant uncertainty exist regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognized on the basis of percentage completion method, measured on the basis of percentage the actual cost incurred, including proportionate land cost, bears to the estimated cost of the project under execution.

Revenue comprises the aggregate amounts of sale price as per the terms of the agreement entered into with the customers. The revenue is recognized only upon reaching 25% of physical progress measured in terms of estimated cost and upon compliance of other conditions stipulated in the Guidance note on Accounting for Real estate transactions(Ind AS compliant companies) issued by ICAI.

The estimate of cost and saleable areas is reviewed periodically by the management and any effect of changes in estimates is recognized in the period of changes. Further, on periodical review if any project is expected to incur loss, the entire loss is recognized immediately.

- b. Cost in relation to the above includes cost of land, development cost, project over heads, borrowing cost and all cost incurred for bringing the property to marketable condition or its intended use.

2.13. Interest Income:

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.

2.14. Employee Benefits:

Liability for Employee benefits both short and Long Term, for present and past services as per the terms of employment are recorded in accordance with Ind AS 19 "Employee Benefits" notified under the Companies (Indian Accounting Standards) Rules,2015.

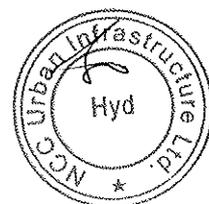
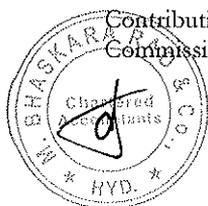
a. Retirement benefit costs and termination benefits:

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

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.

b. Provident Fund

Contribution to Provident fund (a defined contribution plan) made to Regional Provident Fund Commissioner are recognised as expense.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

c. Compensated Absences:

The employees are entitled to accumulate leave subject to certain limits, for future encashment, as per the policy of the Company.

The liability towards such unutilized leave as at the end of each balance sheet date is determined based on independent actuarial valuation and the recognized in the Statement of Profit and Loss.

2.15. Taxes:

Income tax expense represents sum of the tax currently payable and deferred tax

Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Taxes:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

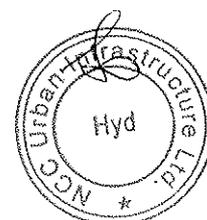
Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.16. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/(loss) 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.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

2.17. 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.

2.18. Leases:

The company's leasing arrangements are mainly in respect of operating leases for premises. The aggregate lease rents payable are charged as rent in the Statement Profit and Loss.

2.19. Fair value measurement

The Company measures certain financial instruments at fair value at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a. In the principal market for the asset or liability, or
- b. In the absence of principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.20. Operating cycle:

The Company adopts operating cycle based on the project period and accordingly all project related assets and liabilities are classified into current and non-current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

2.21. Provisions, Contingent liabilities and Contingent assets

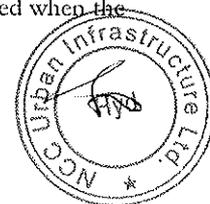
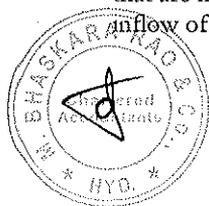
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is a possible asset that may arise because of a gain that is contingent on future events that are not under an entity's control. Existence of the contingent asset is required to be disclosed when the inflow of economic benefits is probable.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES

Notes forming part of Consolidated financial statements

2.22. First-time adoption-mandatory exceptions, optional exemptions

The financial statements of the Group for the year ended March 31, 2017, have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Group has followed the guidance prescribed in IndAS101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2017 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet and Statement of Profit and Loss, is set out in Note 2.24 and 2.25. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 2.23.

2.23. Exemptions availed on first time adoption of Ind AS 101

Ind-AS101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions

a. Deemed Cost for Property, plant and equipment

The Group has elected to continue with the carrying value of all of its Property plant and equipment recognised as of April, 1, 2015 (transition date) measure as per the previous GAAP and use that carrying value as its deemed cost as of the transaction date.

2.24. Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101.

- a. Equity as at 01st April, 2015, 31st March, 2016.
- b. Net Profit for the year ended 31st March, 2016.

2.25. Explanation of transition to Ind AS

1. Explanations for reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS

A) Investments

These loans are equity support in nature and given for the purpose of investments in the assets of the respective entities and are repayable as and when such assets are liquidated.

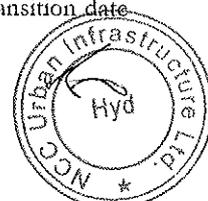
Investments in wholly owned subsidiaries include interest free unsecured loans of Rs. 418.2 Mns (as at March 31, 2016, Rs 417.9 Mns; as at April 01, 2015, Rs 417.7 Mns)

In view of the same, the said loans given were treated as investments and added to the initial cost of the equity instruments.

B) Long term loans and advances

Under previous GAAP, Loans to Subsidiaries have been grouped under Long term loans and advances, as these loans are equity support in nature and given for the purpose of investments in the assets of the respective entities and are repayable as and when such assets are liquidated, they are regrouped under Investments.

Under previous GAAP, Deposits - Joint development are recognised at original value, as they are interest free, these deposits are valued at Fair value through P&L and the difference between the carrying values and the present value as at the transition date is charged to Opening balance of Retained Earnings in case of the projects substantially in progress/completed as at the transition date and in other cases, to Inventory.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES
Notes forming part of Consolidated financial statements

Under previous GAAP, Advances for purchase of land has been grouped under long term loans and advances, the same has been regrouped under other non-current assets as it is a non-financial asset.

C) Other Non Current Assets

Under previous GAAP, Advances for purchase of land has been grouped under long term loans and advances, the same has been regrouped under other non-current assets as it is a non-financial asset.

D) Inventories

Under previous GAAP, Deposits - Joint development are recognised at original value, as they are interest free, these deposits are valued at Fair value through P&L and the difference between the carrying values and the present value as at the transition date is charged to Opening balance of Retained Earnings in case of the projects substantially in progress/completed as at the transition date and in other cases, to Inventory valuing to Rs 290.6 Mns.

E) Cash and cash equivalents

Under previous GAAP, Deposits with maturity more than 12 months has been grouped in cash and cash equivalents, it is regrouped under Bank balances other than cash and cash equivalents as per Ind AS.

F) Bank balances other than cash and cash equivalents

Under previous GAAP, Deposits with maturity more than 12 months has been grouped in cash and cash equivalents, it is regrouped under Bank balances other than cash and cash equivalents as per Ind AS.

G) Other current financial assets

Under previous GAAP, Retention money receivable, Advances recoverable in cash are grouped under other current assets, the same has been regrouped under other current financial assets as they are Financial Assets under IndAS.

H) Other current assets

Under previous GAAP, Retention money receivable, Advances recoverable in cash are grouped under other current assets, the same has been regrouped under other current financial assets as they are Financial Assets under Ind AS.

I) Borrowings

Under previous GAAP, processing fees paid to bank has been charged to Statement of Profit and Loss whereas under Ind AS the same has been amortised for the tenure of the borrowing. Borrowings are disclosed net of amortised transaction costs of Rs 12.4 Mns as at March 31, 2016).

J) Other current financial liabilities:

Under previous GAAP, Retention money and current maturities of long term debt has been grouped under other current liabilities, the same has been regrouped under other current financial liabilities as they are Financial liabilities under Ind AS.

K) Other current liabilities

Under previous GAAP, Retention money and current maturities of long term debt has been grouped under other current liabilities, the same has been regrouped under other current financial liabilities as they are Financial liabilities under Ind AS.



NCC URBAN INFRASTRUCTURE LIMITED AND SUBSIDIARIES
Notes forming part of Consolidated financial statements

L) Other equity

Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

In addition, as per Ind AS 19, actuarial gains and losses are recognized in other comprehensive income as compared to being recognized in the Statement of Profit and Loss under IGAAP.

2. Explanations for reconciliation of Profit and loss as previously reported under IGAAP to Ind AS

A) Other Income

Under previous GAAP, Deposits - Joint development are recognised at original value, as they are interest free, these deposits are valued at Fair value through P&L and the difference between the carrying values and the present value as at the transition date is charged to Opening balance of Retained Earnings in case of the projects substantially in progress/completed as at the transition date and in other cases, to Inventory.

B) Employee benefits

Under previous GAAP, actuarial gains and losses were recognized in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability/asset which is recognized in other comprehensive income in the respective periods.

This has resulted in decrease in net profit by Rs 1.7 Mns for year ended March 31, 2016. However the same does not result in difference in equity or total comprehensive income.

C) Finance Costs

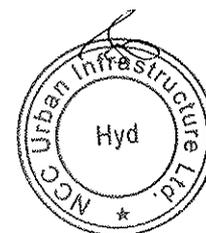
Under previous GAAP, processing fees paid to bank has been charged to Statement of Profit and Loss but under Ind AS the same has been amortised for the tenure of the borrowing and to the extent of Rs 2.5 Mns is charged to Statement of Profit and Loss for the year ended 31st March 2016.



NCC URBAN INFRASTRUCTURE LIMITED
Consolidation Effect of IND AS adoption as at 31.03.2016

(Amount in Mns)

Description	IND GAAP	Effect of IND AS	Current GAAP
ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment			
Tangible assets	729.46	636.72	92.73
(b) Capital work-in-progress	0.53	0.53	-
(c) Investment Property	-	-593.78	593.78
(d) Goodwill	-	-6.30	6.30
(e) Financial Assets			
(i) Investments	0.00	-732.00	732.00
(ii) Loans	870.16	465.04	405.13
(f) Deferred tax assets(net)	5.58	-0.43	6.01
(g) Other non-current assets	-	-167.35	167.35
2. Current assets			
(a) Inventories	5,849.04	-58.51	5,907.56
(b) Financial Assets			
(i) Trade and other receivables	601.97	17.89	584.08
(ii) Cash and cash equivalents	131.62	54.37	77.26
(iii) Bank balances other than (ii) above	-	-39.95	39.95
(iv) Other current financial Assets	-	-64.18	64.18
(c) Current Tax Assets(Net)	-	-1.39	1.39
(c) Other current assets	330.66	181.34	149.32
TOTAL	8,519.03	-308.00	8,827.04
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	1,500.00	-	1,500.00
(b) Other Equity	183.08	-1.69	184.77
2. Non-current liabilities			
(a) Financial Liabilities			
Borrowings	658.60	12.45	646.15
(b) Provisions	28.62	0.70	27.92
(c) Other non-current liabilities	-	-1,293.96	1,293.96
3. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	4,954.22	776.38	4,177.84
(ii) Trade payables	343.94	41.11	302.83
(iii) Other current financial liabilities	-	-126.45	126.45
(b) Other current liabilities	843.47	276.62	566.85
(c) Provisions	7.12	6.85	0.27
Total	8,519.03	-308.00	8,827.04

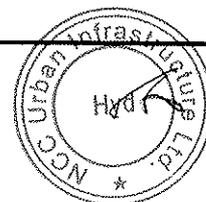
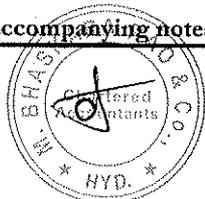


NCC URBAN INFRASTRUCTURE LIMITED
Consolidation Effect of IND AS adoption as at 31.03.2016

(Amount in Mns)

Description	IND GAAP	Effect of IND AS	Current GAAP
REVENUE			
Revenue from operations	2,007.09	197.67	1,809.42
Other Income	17.98	-47.19	65.17
Total Revenue	2,025.07	150.48	1,874.59
EXPENDITURE			
Cost of materials consumed	1,308.27	138.10	1,170.17
Purchases of stock-in-trade	-	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	-397.06	-11.30	-385.76
Employees benefit Expenses	189.07	14.63	174.44
Finance Costs	665.03	15.65	649.38
Depreciation and amortization expense	23.42	7.01	16.41
Other Expenses	208.26	29.32	178.94
Total Expenses	1,996.99	193.41	1,803.58
o Exceptional Items (Net)	28.08	-42.93	71.01
Profit/(Loss) Before Tax	28.08	-42.93	71.01
Profit/(Loss) from Consolidation	-	-	20.85
Profit/(Loss) Before Tax	-	-	91.86
Less: Tax Expense			
Provision for Taxation - Current Tax	10.70	6.80	3.90
- Wealth Tax - Earlier periods	0.08	-	0.08
- Deferred Tax	-2.58	0.43	-3.01
Adjustments relating to previous years	0.50	-	0.50
	8.70	7.23	1.48
Profit/(Loss) for the Period	19.37	-71.01	90.39
Profit/(Loss) for the Period from discontinued operations			
Profit/(Loss) for the Period	19.37	-71.01	90.39
Other Comprehensive Income			
A) Items that will not be reclassified to Profit & Loss			
Remeasurements of the defined benefit plans	-	-1.70	1.70
Total Comprehensive Income for the Year	19.37	-69.31	88.69
Earnings per Share of face value of Rs.10/- each			
Basic	0.13	-0.47	0.60
Diluted	0.13	-0.47	0.60

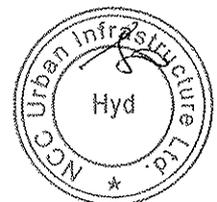
See accompanying notes to the financial statements



NCC URBAN INFRASTRUCTURE LIMITED
Consolidation Effect of IND AS adoption as at 01.04.2015

(Amount in Mns)

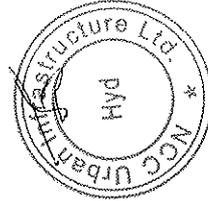
Description	IND GAAP	Effect of IND AS	Current GAAP
ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment			
Tangible assets	743.58	640.84	102.74
(b) Investment Property	-	-593.78	593.78
(c) Goodwill	-	-6.30	6.30
(d) Financial Assets			
(i) Investments	0.00	-711.15	711.15
(ii) Loans	860.43	508.83	351.60
(e) Deferred tax assets(net)	3.00	-	3.00
(f) Other non-current assets	-	-167.35	167.35
2. Current assets			
(a) Inventories	5,490.20	-72.48	5,562.68
(b) Financial Assets			
(i) Trade and other receivables	580.36	-0.00	580.36
(ii) Cash and cash equivalents	114.20	35.22	78.98
(iii) Bank balances other than (ii) above	-	-32.51	32.51
(iv) Other current financial Assets	-	-59.25	59.25
(c) Current Tax Assets (Net)	-	-	-
(e) Other current assets	374.86	170.45	204.41
TOTAL	8,166.64	-287.47	8,454.11
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	1,500.00	-	1,500.00
(b) Other Equity	163.71	67.62	96.08
2. Non-current liabilities			
(a) Financial Liabilities			
Borrowings	110.00	-	110.00
(b) Provisions	21.85	-	21.85
(c) Other non-current liabilities	-	-1,293.96	1,293.96
3. Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	5,070.61	778.15	4,292.46
(ii) Trade payables	426.47	25.40	401.08
(iii) Other current financial liabilities	-	-96.70	96.70
(b) Other current liabilities	860.30	232.02	628.28
(c) Provisions	13.69	-	13.69
Total	8,166.64	-287.47	8,454.11



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

NOTE : 3. PROPERTY, PLANT AND EQUIPMENT

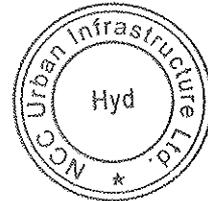
Description	(Amount in Mns)									
	Plant and Machinery	Construction Accessories	Tools and Equipment	Office Equipment	Furniture and Fixtures	Construction Vehicles	Office Vehicles	Lease Hold Improvements	Total	Total
Cost as at April 1, 2016	105.83	68.15	2.05	16.26	7.39	0.51	9.52	10.55	220.47	220.47
Additions	3.13	2.32	0.92	1.13	-	-	-	-	7.50	7.50
Disposals	-	-	-	-	-	-	3.16	-	3.16	3.16
Cost as at March 31, 2017	108.96	70.47	2.97	17.38	7.39	0.51	6.36	10.55	224.80	224.80
Accumulated depreciation April 1, 2016	40.61	56.95	0.56	13.71	4.39	0.48	4.45	6.38	127.74	127.74
Depreciation for the year	8.75	3.32	0.24	1.19	0.98	-	1.11	1.51	17.28	17.28
Depreciation on deletions	-	-	-	-	-	-	1.78	-	1.78	1.78
Accumulated depreciation March 31, 2017	49.36	60.47	0.80	14.90	5.37	0.48	3.78	7.89	145.24	145.24
Net Carrying amount as at March 31, 2017	59.60	10.00	2.18	2.48	2.02	0.03	2.59	2.67	81.57	81.57
Description	Plant and Machinery	Construction Accessories	Tools and Equipment	Office Equipment	Furniture and Fixtures	Construction Vehicles	Office Vehicles	Lease Hold Improvements	Total	Total
Cost as at April 1, 2015	102.03	67.58	1.62	14.85	7.40	0.51	9.52	10.55	214.06	214.06
Additions	3.81	0.57	0.43	1.40	0.19	-	-	-	6.41	6.41
Disposals	-	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2016	105.83	68.15	2.05	16.26	7.59	0.51	9.52	10.55	220.47	220.47
Accumulated depreciation April 1, 2015	32.10	53.35	0.39	13.15	3.61	0.44	3.26	4.84	111.32	111.32
Depreciation for the year	8.51	3.40	0.17	0.57	0.98	0.04	1.19	1.54	16.41	16.41
Depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation March 31, 2016	40.61	56.95	0.56	13.71	4.59	0.48	4.45	6.38	127.74	127.74
Net Carrying amount as at March 31, 2016	65.22	11.20	1.49	2.54	3.00	0.03	5.07	4.17	92.73	92.73
Net Carrying amount as at March 31, 2015	69.93	14.03	1.23	1.71	3.60	0.07	6.27	5.72	102.74	102.74



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

NOTE : 4 INVESTMENT PROPERTY

Description	(Amount in Mns)		
	Land	Building	Total
Cost as at March 31, 2016	593.78	-	593.78
Additions	21.60	31.43	53.03
Disposals	-	-	-
Cost as at March 31, 2017	615.38	31.43	646.81
Accumulated depreciation April 1, 2016	-	-	-
Depreciation for the year	-	0.79	0.79
Depreciation on deletions	-	-	-
Accumulated depreciation March 31, 2017	-	0.79	0.79
Net Carrying amount as at March 31,2017	615.38	30.64	646.02
Description	Land	Buildings	Total
Cost as at April 1, 2015	593.78	-	593.78
Additions	-	-	-
Disposals	-	-	-
Cost as at March 31, 2016	593.78	-	593.78
Accumulated depreciation April 1, 2015	-	-	-
Depreciation for the year	-	-	-
Depreciation on deletions	-	-	-
Accumulated depreciation March 31, 2016	-	-	-
Net Carrying amount as at March 31,2016	593.78	-	593.78
Net Carrying amount as at March 31,2015	593.78	-	593.78



NCC URBAN INFRASTRUCTURE LIMITED
Notes Forming part of the Financial Statements as at March 31, 2017

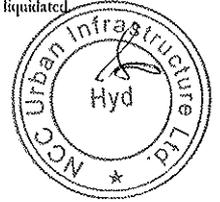
(Amount in Mns)

Particulars	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
	Nos.	Rupees	Nos	Rupees	Nos	Rupees
NOTE - 5						
NON-CURRENT INVESTMENTS						
A) INVESTMENTS CARRIED AT FAIR VALUE THROUGH P&L						
Fully paid equity shares (unquoted) - (Refer Note 1)		745.56		732.00		711.15
B) DETAILS OF INVESTMENTS						
IN TRADE INVESTMENTS						
In Equity Shares of LKR 10/- each, fully paid up (unquoted)						
NCC Urban Lanka (Private) Limited	2.00	0.00	2.00	0.00	2.00	0.00
IN ASSOCIATE						
In Equity Shares of Rs.10/- each, fully paid up (Unquoted)						
Varapradha Real Estates Private Limited	1,33,44,973	714.99	1,33,44,973	714.99	1,33,44,973	714.99
Add/(Less):						
Share of Profit/(Loss) on Consolidation		30.57		17.01		(3.85)
Total		745.56		732.00		711.15

Note 1: Investments in wholly owned subsidiaries include interest free unsecured loans of Rs. 418.20 Mns (as at March 31, 2016, Rs 417.99 Mns; as at April 01, 2015, Rs 417.70 Mns)

These loans are equity support in nature and given for the purpose of investments in the assets of the respective entities and are repayable as and when such assets are liquidated.

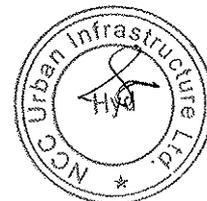
In view of the same, the said loans given were treated as investments and added to the initial cost of the equity instruments.



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

(Amount in Mns)

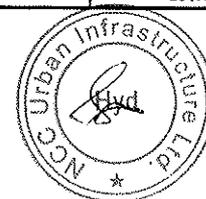
Notes No	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
6	LOANS (Unsecured, considered good)						
	Security Deposits						
	Deposits - Joint Development (refer 6.a,6.b)	433.69		387.80		340.12	
	Deposits - Utilities and Others	18.49		17.33		11.48	
	Total		452.18		405.13		351.60
6.a	Deposits-Joint Development represents deposits with respective land owners against registered Joint Development Agreements (JDAs)/Memorandum of Understanding(MOU). The lands under respective JDA /MOU are in the possession of the company. The company is assessing the market scenario and accordingly initiate execution of the project/s at an appropriate time.						
6.b	Deposits -Joint development are interest free, refundable deposits and the gross amount as at March 31,2017 Rs 675.70 Mns (PY Rs.684.10 Mns as of Mar16; Rs. 681.60 Mns as of Apr 15) These deposits are valued at Fair value through P&L and the difference between the carrying values and the present value as at the Ind AS transition date is charged to Opening balance of Retained Earnings in case of the projects substantially in progress/completed as at that date and in other cases, to Inventory.						
7	OTHER NON- CURRENT ASSETS						
	Advances for Purchase of Land (refer 7.a)	159.35		167.35		167.35	
	Total		159.35		167.35		167.35
7.a	Advances for Purchase of Land represent advances paid towards three properties during the years from 2005-2006 to 2008-2009, in respect of which agreements have expired.Company is confident of negotiating with the respective vendors for extension of the agreements and/ or registration as per mutually agreed terms or for recovery of advances.						
8	INVENTORIES						
	Materials	72.56		78.75		107.09	
	Work-in-progress	4,941.53		3,701.48		3,150.87	
	Finished Goods - Tiles Trading	41.61		48.32		63.92	
	Property & Development Cost	1,609.91		2,079.01		2,240.80	
	Total		6,665.62		5,907.56		5,562.68
	Work in Progress/Property & Development Cost includes Rs.270 Mns (Previous Year Rs.270 Mns) representing the cost of acquisition of land from holding company, and in possession of the company for which registration in the name of the company is pending.						
9	TRADE AND OTHER RECEIVABLES (Unsecured, considered good)						
	Trade receivables		403.87		584.08		580.36
	Total		403.87		584.08		580.36



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

(Amount in Mns)

Notes No	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
10	CASH AND CASH EQUIVALENTS:						
	Cash on Hand	0.20		0.22		0.50	
	Balances with Scheduled Banks: - in Current Account	49.39		77.03		78.48	
	Total		49.59		77.26		78.98
11	BANK BALANCES OTHER THAN ABOVE						
	Balances with Scheduled Banks: - in Deposit Account (Lodged with Government Authorities)	0.10		0.10		0.10	
	Deposits of Maturity for more than 12 months - (refer 11a)	35.53		27.11		22.61	
	Margin Money Deposit (Lodged with banks for guarantees issued)	13.00		12.75		9.80	
	Total		48.62		39.95		32.51
11a	Represents deposits for Debt Service Reserve Rs 35.6 Mns including Interest accrued (Previous Year - Rs 27.11 Mns), pursuant to the conditions of Term Loan agreement with ICICI Bank.						
12	OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)						
	Retention Money	14.55		14.20		-	
	Advances to Varapradha Real Estate Pvt Ltd (Associate)	247.90		46.58		54.51	
	Advances recoverable in cash or kind or for value to be received	3.98		3.39		4.74	
	Total		266.44		64.18		59.25
13	OTHER CURRENT ASSETS Other Loans and Advances (Unsecured, considered good)						
	Advances to Suppliers, Sub-contractors and Others	74.28		145.74		188.83	
	Mobilisation Advance	-		-		0.57	
	Service Tax Receivable/VAT Receivable/Advance for Sales Tax	3.06		2.70		5.63	
	Prepaid Expenses	0.67		0.89		0.70	
	Interest Accrued but not due	-		-		8.68	
	Total		78.00		149.32		204.41

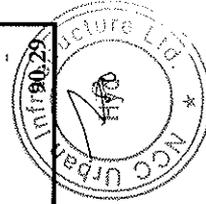


NCC URBAN INFRASTRUCTURE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017.

A. EQUITY SHARE CAPITAL		
Description	(Amount in Mns)	
	No of Shares	Amount
Balance as at 1 April 2015	15,00,00,000	1,500.00
Add: Equity shares allotted during the year	-	-
Balance as at 31 March 2016	15,00,00,000	1,500.00
Add: Equity shares allotted during the year	-	-
Balance as at 31 March 2017	15,00,00,000	1,500.00

B. OTHER EQUITY

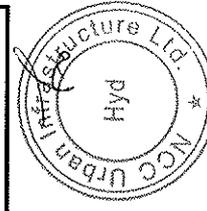
Particulars	Reserves and Surplus						Items of other comprehensive income	Total
	Financial Instruments	Retained Earnings	Debt Redemption Reserve	General Reserve	Securities Premium Reserve	Actuarial Gain / (Loss)		
Balance at April 1, 2015 (as previously reported)	-	24.99	55.00	70.00	-	-	149.99	
Changes in accounting policy at the beginning of the reporting period	-	-	-	-	-	-	-	
Restated balance at April 1, 2015	-	(53.91)	55.00	70.00	-	-	(53.91)	
Balance at April 1, 2015	-	(28.92)	55.00	70.00	-	-	96.08	
Profit/(Loss) for the year	-	90.39	-	-	-	-	90.39	
Other comprehensive income for the year	-	-	(55.00)	-	-	(1.70)	(1.70)	
Others	-	-	-	55.00	-	-	-	
Balance at March 31, 2016	-	61.47	-	125.00	-	(1.70)	184.77	
Profit/(Loss) for the year	-	-	-	-	-	-	-	
Other comprehensive income for the year	-	(96.63)	-	-	-	-	(96.63)	
Others	-	-	-	-	-	2.15	2.15	
Balance at March 31, 2017	-	(35.16)	-	125.00	-	0.45	-	



NOTE 15: OTHER EQUITY

(Amount in Mns)

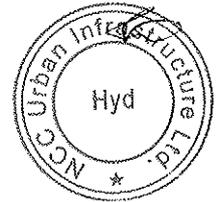
Particulars	Reserves and Surplus					Items of other comprehensive income	Total
	Financial Instruments	Retained Earnings	Debt Redemption Reserve	General Reserve	Securities Premium Reserve		
Balance at April 1, 2015 (as previously reported)	-	24.99	55.00	70.00	-	-	149.99
Changes in accounting policy at the beginning of the reporting period	-	-	-	-	-	-	-
Restated balance at April 1, 2015	-	(53.91)	-	-	-	-	(53.91)
Balance at April 1, 2015	-	(28.92)	55.00	70.00	-	-	96.08
Profit/(Loss) for the year	-	(28.92)	55.00	70.00	-	-	96.08
Other comprehensive income for the year	-	90.38	-	-	-	-	90.38
Others	-	-	(55.00)	-	-	(1.70)	(1.70)
Balance at March 31, 2016	-	61.47	-	125.00	-	(1.70)	184.77
Profit/(Loss) for the year	-	-	-	-	-	-	-
Other comprehensive income for the year	-	(96.63)	-	-	-	-	(96.63)
Others	-	-	-	-	-	2.15	2.15
Balance at March 31, 2017	-	(35.16)	-	125.00	-	0.45	90.29



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

(Amount in Mns)

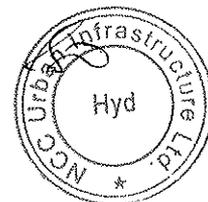
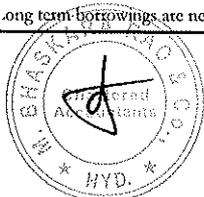
Notes No	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
14	SHARE CAPITAL						
	Authorised 150,000,000 Equity Shares of Rs.10/-each		1,500.00		1,500.00		1,500.00
			1,500.00		1,500.00		1,500.00
	Issued, Subscribed and Paid Up 150,000,000 Equity Shares of Rs.10/-each fully paid		1,500.00		1,500.00		1,500.00
	Total		1,500.00		1,500.00		1,500.00
14.a	Reconciliation of the number of Shares Outstanding:						
	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
			Number		Number		Number
	At the beginning of the year		15,00,00,000		15,00,00,000		15,00,00,000
	At the end of the year		15,00,00,000		15,00,00,000		15,00,00,000
14.b	The company has only one class of shares - Equity shares having a par value of Rs. 10/- per each share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board is subject to approval by the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by the share holder.						
14.c	Shares held by the Holding Company:						
	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
		Number	Amount (Rs.)	Number	Amount (Rs.)	Number	Amount (Rs.)
	N C C LIMITED - Holding Company	12,00,00,000	1,200.00	12,00,00,000	1,200.00	12,00,00,000	1,200.00
14.d	Details of shareholders holding more than 5% of shares in the Company:						
	Name of Shareholder	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
	N C C LIMITED Holding Company	12,00,00,000	80%	12,00,00,000	80%	12,00,00,000	80%
	AVSR Holdings Limited	3,00,00,000	20%	3,00,00,000	20%	3,00,00,000	20%
	Total	15,00,00,000	100%	15,00,00,000	100%	15,00,00,000	100%



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

(Amount in Mns)

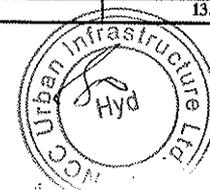
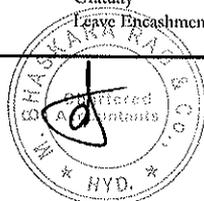
Notes No	Description	Non-Current		Current		Non-Current		Current	
		As at 31 March, 2017		As at 31 March, 2017		As at 31 March 2016		As at 31 March 2016	
		As at 31 March, 2017	As at 31 March, 2017	As at 31 March 2016	As at 31 March 2016	As at 1 April 2015	As at 1 April 2015	As at 1 April 2015	As at 1 April 2015
16	BORROWINGS								
	2,500 (Previous Year 2,500) 18% Redeemable Non Convertible Debentures	-	-	-	-	110.00	-		
	From Banks :								
	Vehicle Loans	-	-	-	-	-	-	0.41	
	Secured Term Loan - ICICI Bank - (refer 16.a)	776.18	131.36	646.15	21.40	-	-	-	
		776.18	131.36	646.15	21.40	110.00	-	0.41	
	Less : Disclosed under Current Liabilities		131.36		21.40			0.41	
	Total	776.18	-	646.15	-	110.00	-	-	
16.a	<p>The company, entered into a Facility Agreement with ICICI Bank Ltd for availing term loans aggregating to Rs 1500 Mns receivable in 5 tranches - RTL 1 - Rs 200 Mns; RTL 2 - Rs 250 Mns, RTL 3 - Rs 300 Mns, RTL 4 - Rs 350 Mns, RTL 5 - Rs 400 Mns.</p> <p>The said Term loan consists of five components - RTL -1,2,3,4,5.</p> <p>RTL 1, 2, 3 shall be utilized towards repayment of unsecured loans from NCC Limited which were interalia utilized towards project development expenses of NCC Urban Meadows II, Bengaluru, NCC Urban Nagarjuna Residency, Hyderabad, NCC Urban Gardenia, Hyderabad.</p> <p>RTL 4 and 5 shall be utilized towards construction cost of NCC Urban Gardenia, Hyderabad and NCC Urban Green Province, Bengaluru.</p> <p>Term Loan carry an interest rate of bank's "I-Base" rate plus a spread. The rate of interest, as at 31.03.2017 aggregates to 12.80%.</p> <p>(a) Exclusive charge by way of equitable mortgage on Company's share of Unsold units in NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru.</p> <p>(b) Second and subservient charge by way of equitable mortgage on approx 11,545 sqft and 32,495 sqft of saleable area mortgaged to Greater Hyderabad Municipal Corporation (GHMC) in NCC Urban Nagarjuna Residency - Hyderabad and of NCC Urban Gardenia - Hyderabad, respectively.</p> <p>(c) Exclusive charge by way of hypothecation on the future scheduled receivables of NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru and all the insurance proceeds, both present and future.</p> <p>(d) Exclusive charge by way of registered hypothecation on the Escrow accounts of NCC Urban Meadows II - Bengaluru, NCC Urban Nagarjuna Residency - Hyderabad, NCC Urban Gardenia - Hyderabad & NCC Urban Green Province - Bengaluru and the Debt Service Reserve (DSR) Account all monies credited/deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be).</p> <p>(e) Exclusive charge by way of equitable mortgage on landparcel/ property located in Semmenchery on the Old Mahabalipuram Road, Chennai to the extent of 7.53 acres with survey numbers 552/1A1 - 0.09 Acre, 553/2B1A - 0.15 Acre, 553/2B2A - 0.16 Acre, 742 - 1.9 Acre, 743/3 - 2.57 Acres, 744 - 0.57 Acre, 745/1 - 1.43 Acre, 745/2 - 0.66 Acre.</p> <p>Term Loan shall be repayable in 36 structured monthly installments commencing from 15th August, 2016 and ending on 15th July, 2019.</p> <p>There are no overdue's towards Principal or Interest as on 31.03.2017.</p>								
16.b	Long term borrowings are net of unamortised transaction costs of Rs 8.62 Mns as at March 31, 2017 (PY Rs 12.5 Mns)								



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements as at March 31, 2017

(Amount in Mns)

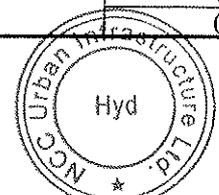
Notes No	Description	As At March 31, 2017		As At March 31, 2016		As At April 1, 2015	
17	PROVISIONS						
	for Gratuity		13.27		16.23		12.69
	for Leave Encashment		9.43		11.68		9.16
	Total		22.70		27.92		21.85
18	OTHER NON-CURRENT LIABILITIES						
	Advance from Vatapradha Real Estates Pvt Ltd (Associate)	1,319.96		1,293.96		1,293.96	
	Total		1,319.96		1,293.96		1,293.96
19	BORROWINGS						
	A) Secured						
	Cash Credit- (refer 19.a)		35.29		35.12		20.10
	B) Unsecured						
	From Holding company - (refer 19.b)	3,523.11		4,137.82		4,267.46	
From Other Corporates - (refer 19.c)	1,243.50		4.90		4.90		
			4,766.61		4,142.72		4,272.36
	Total		4,801.90		4,177.84		4,292.46
19.a	Working Capital facility of Rs.109.30 Mns is from Bank of India, Mid-corporate branch, Hyderabad, carry an interest @ 14% and is secured by: a) First charge on the Fixed and Current Assets of the Façade Division by way of hypothecation b) Equitable Mortgage of Ac.8.30 and Ac.9.60 of lands of Dhatri Developers and Projects Pvt Ltd and Sushtuta Real Estates Private Limited respectively. c) The facility is further secured by Corporate Guarantee provided by subsidiary companies namely Dhatri Developers and Projects Private Limited and Sushtuta Real Estates Private Limited.						
19.b	Unsecured Loan from Holding Company is repayable within a period of 12 months and carry interest rate of 14% per annum.						
19.c	Repayable within a period of 12 months and carry interest rate of 13% per annum						
20	TRADE PAYABLES - (REFER 20.A)						
	Supplies		164.35		190.05		172.47
	Services & Expenses		106.58		69.25		106.94
	Contractor - NCC Ltd		3.55		43.54		121.67
	Total		274.49		302.83		401.08
20.a	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, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act are not possible.						
21	OTHER CURRENT FINANCIAL LIABILITIES						
	Current Maturities of Long Term Debt		131.36		21.40		0.41
	Retention Money		107.30		105.04		96.29
	Total		238.67		126.45		96.70
22	OTHER CURRENT LIABILITIES						
	Advance from Customers		451.27		389.56		514.24
	Advance from Others		176.31		148.41		97.51
	Statutory Dues		19.24		28.88		16.54
	Total		646.82		566.85		628.28
23	PROVISIONS:						
	Income Tax (Net of Advance Tax & Tax deduction at Source)		-		-		13.46
	Employee benefits						
	Gratuity	0.59		0.17		0.14	
Leave Encashment	0.33	0.93	0.10	0.27	0.09	0.23	
	Total		0.93		0.27		13.69



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements for the Year ended March 31, 2017

(Amount in Mns)

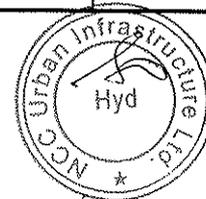
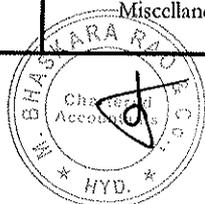
Notes No	Description	Year Ended March 31, 2017		Year Ended March 31, 2016	
24	REVENUE FROM				
	Real Estate Division	567.14		1,305.78	
	Manufacturing Division	34.89		186.68	
	Tiles Trading Division	2.61		7.05	
	Works Contracts	206.61		326.39	
	Technical & Professional Charges	9.99		45.54	
	Maintenance Income	74.85		65.88	
			896.09		1,937.32
	Less: VAT and Service Tax		65.21		125.91
	Less: Rebates		2.09		1.99
	Total		828.78		1,809.42
25	OTHER INCOME				
	Interest income - from Banks/Others		20.39		10.50
	Profit/(Loss) on sale of Assets		0.35		-
	Sales Commission		-		0.82
	Rental Income		14.28		5.59
	Miscellaneous Receipts		5.01		0.01
	Fair Value Adjustments		54.29		48.24
	Total		94.32		65.17
26	COST OF MATERIALS CONSUMED				
	Material Consumption				
	Cement	77.02		147.26	
	Steel	107.37		173.11	
	Other Construction Materials	231.56		383.25	
	Cost of Sales - Tile Trading	6.67		5.56	
			422.63		709.19
	Construction expenses				
	Contractor Work Bills	64.91		140.38	
	Property development expenses	111.58		8.88	
	Stores and Spares	25.36		29.89	
	Power Charges	14.14		16.45	
	Transport Charges	3.80		7.82	
	Labour Charges	205.06		257.55	
			424.85		460.98
	Total		847.48		1,170.17
27	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS				
	Property development				
	- Opening Balance	2,079.01		2,240.80	
	- (Less): Transfer to Investment Property	(21.60)		-	
	- Closing Balance	1,609.91		2,079.01	
			447.50		161.79
	Construction Work-in-Progress				
	- Opening Balance	3,701.48		3,150.87	
	- (Less): Transfer to Investment Property	(31.43)		-	
	- Fair value Adjustments	-		3.06	
	- Closing Balance	4,941.53		3,701.48	
			(1,271.48)		(547.55)
	Total		(823.98)		(385.76)



NCC URBAN INFRASTRUCTURE LIMITED
Notes forming part of the Financial Statements for the Year ended March 31, 2017

(Amount in Mns)

Notes No	Description	Year Ended March 31, 2017		Year Ended March 31, 2016	
28	EMPLOYEES BENEFIT EXPENSES				
	- Salaries and Other Benefits		136.06		158.41
	- Contribution to Provident Fund and Other Funds		12.97		13.20
	- Staff Welfare Expenses		2.61		2.82
	Total		151.64		174.44
29	FINANCE COSTS				
	Interest expense on				
	Debentures	-		8.02	
	Term Loans	104.37		47.59	
	Cash Credit facility	6.66		5.44	
	Others	617.82		583.99	
			728.85		645.04
	Financial Charges				
	Commission on - Bank Guarantees	0.72		0.59	
	Processing Charges	3.83		2.55	
	Bank Charges	0.90		1.20	
			5.45		4.34
	Total		734.29		649.38
30	OTHER EXPENSES				
	Repairs and Maintenance				
	- Machinery	1.00		3.69	
	- Others	9.57		6.95	
	Hire Charges for Machinery and Others	4.16		6.78	
	Technical Consultation	14.70		31.82	
	Watch and Ward	21.64		19.29	
	Rent, Rates and Taxes	35.09		39.67	
	Office Maintenance	3.41		4.63	
	Electricity & Water Charges	18.02		18.20	
	Postage, Telegrams and Telephones	2.49		3.15	
	Travelling and Conveyance	8.34		10.47	
	Printing and Stationery	3.34		2.28	
	Insurance	2.74		4.71	
	Advertisement	12.92		10.95	
	Legal and Professional Charges	5.26		5.62	
	Business Promotion Expenses	1.31		1.26	
	Auditors' Remuneration	0.78		0.78	
	Directors Sitting Fees	0.45		0.17	
	Marketing Expenses	9.40		5.71	
	CSR Expenses	1.02		1.00	
	Miscellaneous Expenses	0.56		1.82	
	Total		156.21		178.94



Notes No 31 : Additional information to the Financial Statements

31.a Contingent Liability:

Bank Guarantees furnished to Statutory Authorities and Government bodies is Rs.20.81 Mns (Previous Year Rs.21.82 Mns)

31.b Employee Benefit plans

i. Defined contribution plan:

The Company makes Provident Fund contribution for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 12.21 Mns (March 31, 2016 Rs 12.77 Mns) for Provident Fund contributions in the Statement of Profit and Loss.

ii. Defined benefit plan:

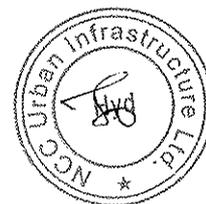
The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund. Unfunded Liability for retiring gratuity as at March 31, 2017 is Rs 13.87 Mns (March 31, 2016: Rs 16.40 Mns). The liability for gratuity has been actuarially determined and provided for in the books.

(Amount in Mns)

Changes in Present Value of Obligation as at	31 March 2017	31 March 2016
Present value of obligation as on last valuation	16.59	12.83
Current Service Cost	2.13	2.49
Interest Cost	1.14	0.97
Actuarial gain/loss on obligations due to Change in Financial Assumption	1.06	-
Actuarial gain/loss on obligations due to Unexpected Experience	(3.18)	1.75
Benefits Paid	2.90	1.45
Present value of obligation as on valuation date	14.83	16.59
Changes in Fair Value of Plan Assets as at	31 March 2017	31 March 2016
Fair value of Plan Assets at Beginning of period	0.19	0.08
Interest Income	0.01	0.01
Employer Contributions	3.64	1.50
Benefits Paid	2.90	1.45
Return on Plan Assets excluding Interest Income	0.03	0.04
Fair value of Plan Assets at End of measurement period	0.97	0.19

Table Showing Reconciliation to Balance Sheet	31 March 2017	31 March 2016
Funded Status	(13.86)	(16.40)
Fund Asset	0.97	0.19
Fund Liability	14.83	16.59

Discount Rate	7.50%	8.00%
Expected Return on Plan Asset	7.50%	8.00%
Rate of Compensation Increase(Salary Inflation)	8.00%	8.00%
Pension Increase Rate	N/A	N/A
Average expected future service (Remaining working Life)	20	20
Average Duration of Liabilities	20	20



Expense Recognized in Statement of Profit/Loss as at	31 March 2017	31 March 2016
Current Service Cost	2.13	2.49
Net Interest Cost	1.12	0.96
Benefit Cost(Expense Recognized in Statement of Profit/loss)	3.25	3.45

Other Comprehensive Income	31 March 2017	31 March 2016
Actuarial gain/loss on obligations due to Change in Financial Assumption	1.06	-
Actuarial gain/loss on obligations due to Unexpected Experience	(3.18)	1.75
Total Actuarial (gain)/losses	(2.13)	1.75
Return on Plan Asset, Excluding Interest Income	0.03	0.04
Balance at the end of the Period	(2.15)	1.70
Net(Income)/Expense for the Period Recognized in OCI	(2.15)	1.70

Sensitivity Analysis Description	31 March 2017		31 March 2016	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.5%)	13.77	16.00	-	-
%Change Compared to base due to sensitivity	-7.13%	7.87%	-	-
Salary Growth (-/+ 0.5%)	15.68	14.01	-	-
%Change Compared to base due to sensitivity	5.76%	-5.51%	-	-
Attrition Rate (-/+ 0.5%)	14.86	14.80	-	-
%Change Compared to base due to sensitivity	0.22%	-0.22%	-	-
Mortality Rate (-/+ 10%)	14.96	14.69	-	-
%Change Compared to base due to sensitivity	0.91%	-0.91%	-	-

Table Showing expected return on Plan Asset at end Measurement Period	31 March 2017	31 March 2016
Current liability	0.59	0.17
Non-Current Liability	14.24	16.42
Net Liability	14.83	16.59

31.c. Earnings per Share

(Amount in Mns)

S.No	Particulars	For the Year ended 31 March 2017	For the Year ended 31 March 2016
		Rupees	Rupees
a)	Net Profit/(Loss) available for equity shareholders	(94.48)	88.69
b)	Weighted Average number of equity shares for Basic EPS	Nos. 15,00,00,000	Nos. 15,00,00,000
c)	Weighted Average number of equity shares for Diluted EPS	15,00,00,000	15,00,00,000
d)	Face value per share	10/-	10/-
e)	Basic and Diluted EPS	(0.63)	0.59



31.d. The subsidiary companies and Associate considered in the consolidated financial statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	
		Current Year	Previous Year
Dhatri Developers And Projects Private Limited	India	100%	100%
Sushanti Avenues Private Limited	India	100%	100%
Sushruta Real Estates Private Limited	India	100%	100%
AKHS Homes Private Limited	India	100%	100%
CSVS Property Developers Private Limited	India	100%	100%
JIC Homes Private Limited	India	100%	100%
MA Property Developers Private Limited	India	100%	100%
Sri Raga Nivas Property Developers Private Limited	India	100%	100%
Sushanthi Housing Private Limited	India	100%	100%
Vera Avenues Private Limited	India	100%	100%
VSN Property Developers Private Limited	India	100%	100%
Sri Raga Nivas Ventures Private Limited	India	100%	100%
Vara Infrastructure Private Limited	India	100%	100%
Sradha Real Estates Private Limited	India	100%	100%
Mallavanam Property Developers Private Limited	India	100%	100%
Varma Infrastructure Private Limited	India	100%	100%
Thrilekya Real Estates Private Limited	India	100%	100%
Nandyala Real Estates Privates Limited	India	100%	100%
PRG Estates Private Limited	India	100%	100%
Kedarnath Real Estates Private Limited	India	100%	100%
NCC Urban (Lanka) Private Limited	Sri Lanka	100%	100%
NJC Avenues Private Limited	India	100%	100%
Siripada Homes Private Limited	India	100%	100%
Nagarjuna Suites Private Limited	India	100%	100%
NCC Urban Homes Private Limited	India	100%	100%
NCC Urban Meadows Private Limited	India	100%	100%
NCC Urban Ventures Private Limited	India	100%	100%
NCC Urban Villas Private Limited	India	100%	100%
Associate:			
Varaprada Real Estates Private Limited	India	40%	40%
Partnership Firm:			
NR Avenues	India	100%	100%

31.e

a. In respect of a subsidiary company, NCC Urban Lanka (Private) Limited, there are no transactions since incorporation, hence not considered for consolidation.



31.f. Related Party Transactions

31.f.1 List of related parties and relationships:

A Holding Company

1. NCC Limited

B Subsidiaries

2. AKJS Homes Private Limited
3. Dhatri Developers Private Limited
4. Sushanthi Avenues Private Limited
5. Sushrta Real Estates Private Limited
6. CSVS Property Developers Private Limited
7. JIC Homes Private Limited
8. MA Property Developers Private Limited
9. Sri Raga Nivas Property Developers Private Limited
10. Sushanthi Housing Private Limited
11. Vera Avenues Private Limited
12. VSN Property Developers Private Limited
13. Sri Raga Nivas Ventures Private Limited
14. Vara Infrastructure Private Limited
15. Sradha Real Estates Private Limited
16. Mallelavanam Property Developers Private Limited
17. Varma Infrastructure Private Limited
18. Trilekya Real Estates Private Limited
19. PRG Estates Private Limited
20. Kedarnath Real Estates Private Limited
21. NCC Urban (Lanka) Private Limited
22. NJC Avenues Private Limited
23. Siri pada Homes Private Limited
24. Nandyala Real Estates Privates Limited
25. Nagarjuna Suites Private Limited
26. NCC Urban Homes Private Limited
27. NCC Urban Meadows Private Limited
28. NCC Urban Ventures Private Limited
29. NCC Urban Villas Private Limited

C Fellow Subsidiary

31. NCC Vizag Urban Infrastructure limited
31. Patnitop Ropeway and Resorts limited

D Key Management Personnel (KMP) & relatives of KMP

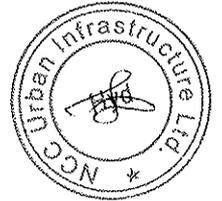
32. Sri A.A.V.Ranga Raju, Director
33. Sri A.G.K.Raju, Director
34. Sri N.R. Alluri, Managing Director
35. Smt. A. Bharathi Raju, Whole Time Director
36. Sri.J.S.R.Raju, Whole Time Director
37. Srinivasa Rao G, Chief Financial Officer
38. Ravi Kumar U, Company Secretary

E Associates

39. AVSR Holdings Private Limited
40. Varapradha Real Estates Private Limited

F Enterprises owned and significantly influenced by key management personnel or their relatives

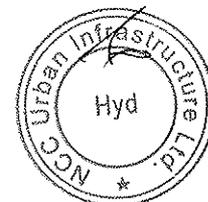
41. Sirisha Projects Pvt Ltd
42. Armesh Ventures Pvt Ltd
43. Bhuvanesh Realtors Pvt Ltd
44. Lalit Agro Farms Pvt Ltd
45. Mihika Agro Farms Pvt Ltd
46. Narasimha Developers Pvt Ltd
47. Ruthvik Estates Pvt Ltd
48. Shyamala Agro Farms Pvt Ltd
49. Suguna Estates Pvt Ltd



31.f.2. Related Party transactions during the year ended 31.03.2017 are as follows:

(Amount in Mns)

S. No	Particulars	Holding Company	Key Management Personnel and their relatives	Subsidiaries	Associate	Fellow Subsidiary	Enterprises owned and significantly influenced by key management personnel or their relatives
1	Unsecured Loans taken	1,378.37					
		60.00					
2	Unsecured Loans Repaid	2,544.22					
		712.39					
3	Investments	-		-	-		
4	Mobilization Advance Received	-					
		-					
5	Advance granted/ (Received)	-			184.53	(0.18)	
		-			(6.33)	0.01	
6	Real estate sales	-					
		-					
7	Sales (in Facade)	21.44					
		6.84					
8	Interest received/accrued	-			16.89		
		-			7.93		
9	Contractor Work Bills	-					
		-					
10	Managerial Remuneration		12.00				
			9.29				
11	Remuneration to CFO and CS		2.38				
			2.07				
12	Interest paid /Provided	553.91					
		582.76					
13	Rent Paid/Provided	0.53					2.84
		0.53					2.58
14	Varapradha Real Estates Private Limited				247.90		
					48.17		
15	NCC Vizag Urban Infrastructure limited					1.56	
						1.56	
16	Patnitop Ropeway and Resorts Private Limited						-
						0.18	
Credit Balances as on 31.03.2017							
17	NCC Limited	3,562.73					
		4,416.37					

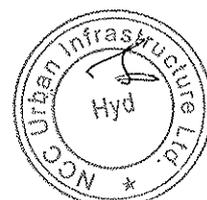


31.f.3. Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

(Amount in Mns)

Particulars	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Unsecured Loans taken		
NCC Limited	1,378.37	60.00
Unsecured Loans repaid		
NCC Limited	2,544.22	712.39
Advance granted/(Taken)		
NCC Vizag Urban Infrastructure Limited	-	-
Patnitop Ropeway and resorts Private Limited	(0.18)	0.01
Varapradha Real Estates Private Limited	199.73	6.33
Sales (Façade Divison)		
NCC Limited	21.44	18.67
Contractor Work Bills		
NCC Limited	-	-
Interest paid/provided		
NCC Limited	553.91	494.87
Managerial Remuneration		
Smt. A. Bharathi Raju, Whole Time Director	6.00	4.64
Sri.J.S.R.Raju, Whole Time Director	6.00	4.64
Remuneration to CFO and CS:		
Srinivasa Rao G, Chief Financial Officer	1.67	1.62
Ravi Kumar U, Company Secretary	0.71	0.44
Rent Paid		
NCC Limited	0.53	0.53
Enterprises owned and significantly influenced by KMP or their relatives	2.84	2.58

31.f.4. The Company has created charge in respect of the land admeasuring Acre 1.08 guntas situated at survey No.104 part and 105 part at Poppalaguda village, Ranga Reddy District, Telangana, Acre 7.16 guntas situated at survey No:625 and 626 at Devar Yamzal Village, Ranga Reddy District, Telangana, land admeasuring Acre 2.00 guntas situated at survey No:628/B at at Devar Yamzal Village, Ranga Reddy District, Telangana, land admeasuring Ac 5.00 guntas situated at Survey No:606 and 607 at Poppalaguda Village, Ranga Reddy District, Telangana, land admeasuring Acre 5.05 guntas situated at Survey No:606 and 607 at Devar Yamzal Village, Ranga Reddy District, Telangana, land admeasuring Acre 8.00 guntas situated at Survey No:606 and 607 at Devar Yamzal Village, Reaga Reddy District, Telangana, land admeasuring Acre 4.10 guntas situated at Survey No:625 and 626 at Devar Yamzal Vilage, Ranga Reddy District, Telangana, land admeasuring Acre 3.04 guntas situated at Survey No:104, 104/1 part, 106 and 106/1 part at Poppalaguda Village, Ranga Reddy District, Telangana, land admeasuring Acre 6.20 guntas situated at Survey No:627/B & 628/B respectively at Devar Yamzal Village, Ranga Reddy District, Telangana and land admeasuring Acre 4.10 guntas situated at Survey No:625 & 626 at Devar Yamzal Village, Ranga Reddy District, Telangana and owned by the Company in favour of SBI Consortium/SBI CAP Trustee Company Limited in connection with Rs.3000 Mns Loan availed by NCC Limited, the Parent Company. The Company has created charge on the above said lands on 11th May 2015.



31.f.5. The Company "AKHS Homes Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 8.81 1/2 situated at survey no.263/1,262/1,262/2,262/3,262/4,264,253/2,262/5,261/1,261/2,261/3,261/4,253/1 at Nemam village, kakinada Mandal, Andhra Pradesh and "Mallelavanam Property Developers Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 5.29 situated at survey no.266/10,266/11,266/12,273/1,273/2,275(PART),275,277/1,278,283/4,283/2,287/3,287/2 at Nemam village, kakinada Mandal, Andhra Pradesh and "VSN Property Developers Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.75 1/2 situated at survey no.250/2,250/3,255/1,255/2,288/3,249/4,287/1,287/2,251,252 at Nemam village, kakinada Mandal, Andhra Pradesh and "PRG Estates Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 8.34 1/2 situated at survey no.266,266/1,266/2,266/4,266/5,266/6,272,276/1,266/7,266/8,266/9,266/10,266/12 at Nemam village, kakinada Mandal, Andhra Pradesh and "Varma infrastructures Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.98 situated at survey no.272,273/1,274/1,274/2,274/3,274/4,274/5,275 at Nemam village, kakinada Mandal, Andhra Pradesh and "CSVS Property Developers Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 9.88 situated at survey no.259/1,259/2,259/2,258,197 at Nemam village, kakinada Mandal, Andhra Pradesh and "Sushanthi Avenues Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 8.71 situated at survey no.166,167,169/1 at Nemam village, kakinada Mandal, Andhra Pradesh and "M.A.Property Developers Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 9.4 situated at survey no.20./1,203/2,257,256/1,256/2,254/1,254/2,258 at Nemam village, kakinada Mandal, Andhra Pradesh and "Sushanthi Housing Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 9.4 situated at survey no.177/4,177,180/1,180/5,184/1,184/2,193 at Nemam village, kakinada Mandal, Andhra Pradesh and "JIC Homes Private Limited" has created a collateral security in respect of land admeasuring Acre 9.88 situated at survey no.169/2,194,195,196,260/7,260/2,260/4,260/5,260/1,260/3,260/6,263/1,263/2,170/1 at Nemam village, kakinada Mandal, Andhra Pradesh and "Sri Raga Nivas Property Developers Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.71 situated at survey no.255/2,251/252,252,253/2,254/2,261/3,261/4,262/5,264,265/265 at Nemam village, kakinada Mandal, Andhra Pradesh and "Vera Avenues Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.59 situated at survey no.189,191,190/1,190/2,198,199,200,201/2,192 at Nemam village, kakinada Mandal, Andhra Pradesh and "Nandyala Real Estates Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.61 situated at survey no.168/165/3 at Nemam village, kakinada Mandal, Andhra Pradesh and "Kedamath Real Estates Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 7.90 situated at survey no.312/1B,312/1C,312/1D,312/1F,312/1E,312/1 at Nemam village, kakinada Mandal, Andhra Pradesh and "Thrilekya Real Estates Pvt Ltd" has created a collateral security in respect of land admeasuring Acre 8.72 situated at survey no.172/2,172/1,170/1,171/1,170,171,171 at Nemam village, kakinada Mandal, Andhra Pradesh in favour of SBI Consortium/SBI CAP Trustee Company Limited in connection with Rs.3000 Mns Loan availed by NCC Limited, the Parent Company. The Company has created charge on the above said lands on 11th May 2015.

31.g. Deferred Tax Asset

Deferred Tax Asset as at 31st March 2017 comprises of the following.

(Amount in Mns)

Description	For the Year ended 31 March 2017	For the Year ended 31 March 2016
(A) Deferred Tax Assets on Timing differences due to :		
Provision for Leave Encashment and Gratuity	7.81	9.32
Business loss	67.20	-
Total :	75.01	9.32
(B). Deferred Tax Liabilities on timing differences due to:		
Depreciation	18.58	3.31
Total:	18.58	3.31
Net Deferred Tax Asset (A-B)	(56.43)	(6.01)

31.h. Auditors Remuneration

(Amount in Mns)

Description	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Payment to Auditors		
As Auditor	0.70	0.70
Tax Audit	0.08	0.08
Total	0.78	0.78

Fees mentioned above do not include service tax and education cess thereon.



31.i. Financial instruments

Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including interest rate risk) and credit risk.

Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following significant market risks:

Interest rate risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.

The Company's borrowings majorly consists of Project funding loans, having fixed rate of interest (re-stated at every 3 years interval) .

Credit risk management

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

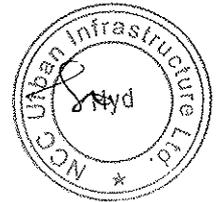
The company primarily deals with the real estate sales. The possession of the properties is handed over to the customers only after the receipt of the entire sale consideration with respect to the sales. Hence, the credit risk with respect to the sales /receivables is limited.

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

(Amount in Mns)

Particulars	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	Financial assets					
Financial assets at amortised cost:						
(a) Cash and bank balances	98.22	98.22	117.21	117.21	111.49	111.49
(c) Trade receivables	403.87	403.87	584.08	584.08	580.36	580.36
(b) Other financial assets	266.44	266.44	64.18	64.18	59.25	59.25
Financial liabilities						
Financial liabilities at amortised cost:						
(a) Borrowings	5,578.08	5,578.08	4,823.99	4,823.99	4,402.46	4,402.46
(b) Trade payables	274.49	274.49	302.83	302.83	401.08	401.08
(c) Other Financial liabilities	238.67	238.67	126.45	126.45	96.70	96.70

Note : In case of trade receivables, cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.



31.j. Specified Bank Notes Disclosure (SBN's)

(Amount in Mus)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.22	0.46	0.69
(+) Permitted receipts	-	0.15	0.15
(-) Permitted payments	-	0.31	0.31
(-) Amount deposited in Banks	0.22	-	0.22
Closing cash in hand as on December 31, 2016	-	0.30	0.30

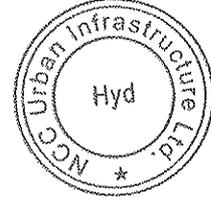
31.k. Consolidated Net Assets Disclosure

31.l. Figures of previous year have been regrouped/re-arranged wherever necessary to conform to the current year presentation.

Signatures to the Notes of Accounts 1 to 31.l

for M.Bhaskara Rao & Co.
Chartered Accountants

For and on behalf of the Board


V.K. Muralidhar
Partner

N.R. Alluri
Managing Director
DIN:00026723

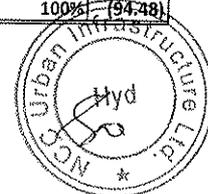
J.S.R. Raju
Director
DIN:01158196

G. Srinivasa Rao
Chief Financial Officer

U. Ravi Kumar
Company SecretaryPlace: Hyderabad
Date: May 11, 2017

Note no: 31.k

Sl No.	Name of the entity	Net Assets i.e. Total Assets minus Total Liabilities				Share in profit or loss	
		As % of Consolidated net assets	Amount in Mns	Consolidation Adj	Net Amt in Mns	As % of Consolidated Profit or loss	Amount in Mns
1	NCC URBAN INFRASTRUCTURE LTD - STANDALONE INVESTMENTS	98.30%	1,563.28	1,320.92	1,563.28	114.11%	(107.82)
	SUBSIDIARIES :-						
1	AKHS HOMES PRIVATE LIMITED	0.00%	31.17	(31.22)	(0.04)	0.01%	(0.01)
2	CSVS PROPERTY DEVELOPERS PRIVATE LIMITED	0.00%	18.43	(18.44)	(0.01)	0.01%	(0.01)
3	DHATRI DEVELOPERS PRIVATE LIMITED	-0.01%	63.89	(64.10)	(0.21)	0.01%	(0.01)
4	JIC HOMES PRIVATE LIMITED	0.00%	18.38	(18.39)	(0.01)	0.01%	(0.01)
5	M A PROPERTY DEVELOPERS PRIVATE LIMITED	0.00%	17.49	(17.50)	(0.01)	0.01%	(0.01)
6	MALLELVANAM PROPERTY DEVELOPERS PRIVATE LIMITED	0.00%	9.90	(9.96)	(0.05)	0.01%	(0.01)
7	SRI RAGA NIVAS PROPERTY DEVELOPERS PRIVATE LIMITED	0.00%	33.60	(33.66)	(0.06)	0.01%	(0.01)
8	SUSHANTI HOUSING PRIVATE LIMITED	0.00%	17.49	(17.50)	(0.01)	0.01%	(0.01)
9	SRADHA REAL ESTATES PRIVATE LIMITED	-0.01%	0.47	(0.59)	(0.12)	0.01%	(0.01)
10	SUSHRUTHA REAL ESTATE PRIVATE LIMITED	-0.01%	17.73	(17.89)	(0.17)	0.01%	(0.01)
11	SRI RAGA NIVAS VENTURES PRIVATE LIMITED	-0.12%	(1.08)	(0.80)	(1.89)	0.00%	(0.00)
12	SUSHANTI AVENUES PRIVATE LIMITED	0.00%	46.74	(46.81)	(0.07)	0.01%	(0.01)
13	VERA AVENUES PRIVATE LIMITED	0.00%	14.13	(14.16)	(0.03)	0.01%	(0.01)
14	VSN PROPERTY DEVELOPERS PRIVATE LIMITED	0.00%	33.64	(33.70)	(0.06)	0.01%	(0.01)
15	VARA INFRASTRUCTURE PRIVATE LIMITED	-0.01%	0.47	(0.59)	(0.12)	0.01%	(0.01)
16	KEDARNATH REAL ESTATES PRIVATE LIMITED	-0.01%	48.87	(49.08)	(0.21)	0.01%	(0.01)
17	NANDYALA REAL ESTATES PRIVATE LIMITED	-0.02%	57.15	(57.48)	(0.33)	0.01%	(0.01)
18	PRG ESTATES PRIVATE LIMITED	0.00%	59.06	(59.08)	(0.02)	0.01%	(0.01)
19	THRILEKYA REAL ESTATES PRIVATE LIMITED	-0.01%	44.56	(44.73)	(0.17)	0.01%	(0.01)
20	VARMA INFRASTRUCTURE PRIVATE LIMITED	0.09%	69.80	(68.41)	1.39	0.01%	(0.01)
21	NJC AVENUES PRIVATE LIMITED	-0.06%	(0.40)	(0.50)	(0.90)	0.01%	(0.01)
22	SIRIPADA HOMES PRIVATE LIMITED	-0.01%	0.47	(0.59)	(0.12)	0.01%	(0.01)
23	NAGARJUNA SUITES PRIVATE LIMITED	0.00%	0.09	(0.14)	(0.04)	0.01%	(0.01)
24	NCC URBAN VENTURES PVT LIMITED	0.00%	0.09	(0.16)	(0.07)	0.01%	(0.01)
25	NCC URBAN HOMES PVT LIMITED	0.00%	0.09	(0.16)	(0.07)	0.01%	(0.01)
26	NCC URBAN MEADOWS PVT LIMITED	0.00%	0.09	(0.16)	(0.07)	0.01%	(0.01)
27	NCC URBAN VILLAS PVT LIMITED	0.00%	0.09	(0.16)	(0.07)	0.01%	(0.01)
	PARTNER SHIP FIRM						
1	NR AVENUES	0.00%	(0.04)	-	(0.04)	0.00%	(0.00)
	ASSOCIATE:						
1	VARAPRADHA REAL ESTATES PRIVATE LIMITED	1.92%	745.56	(714.99)	30.57	-14.35%	13.56
Total		100%	2,911.20	0.00	1,590.29	100%	(94.48)



NCC Urban Infrastructure Limited

Additional disclosures (Fit for consolidation by NCC Limited) for the year ended 2016-17

A) Investment Property Fair Value Disclosures

Fair value of the investment properties

The fair value of the investment properties as at March 31,2017 (Rs 593.78 Mns as of March 31,2016 and Rs 593.78 Mns April 1,2015) have been arrived at on the basis of a valuation carried out as on the respective dates. For the buildings given under operating lease which are located in India , the fair value was derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data.

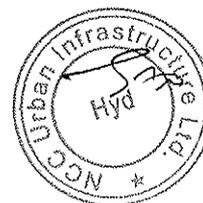
In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Details of the investment properties and information about the fair value hierarchy as at March31,2017, March 31,2016 and April 1, 2015, are as follows:

	Amount in Mns		
	<i>Level 2</i>	<i>Level 3</i>	<i>Fair value as at 31.03.2017</i>
<i>Investment Property</i>	646.81		646.81
<i>Total</i>	646.81	-	646.81

	<i>Level 2</i>	<i>Level 3</i>	<i>Fair value as at 31.03.2016</i>
<i>Investment Property</i>	593.78	-	593.78
<i>Total</i>	593.78	-	593.78

	<i>Level 2</i>	<i>Level 3</i>	<i>Fair value as at 01.04.2015</i>
<i>Investment Property</i>	593.78	-	593.78
<i>Total</i>	593.78	-	593.78



By Unused Tax Losses - Refer to Annexure - 1

C) Financial instruments and Fair Value Disclosures

Capital management

The Group'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 Group ensures optimal credit risk profile to maintain/enhance credit rating.

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

The following table summarises the capital of the Group:

Amount in Mns

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Equity	1,590.29	1,684.77	1,596.08
Short-term borrowings and current portion of long-term debt	4,801.90	4,177.84	4,292.46
Long-term debt	776.18	646.15	110.00
Current Maturities of Long Term Debt	131.36	21.40	0.41
Cash and cash equivalents	(49.59)	(77.26)	(78.98)
Net debt	5,659.85	4,768.14	4,323.89
Total capital (equity + net debt)	7,250.13	6,452.91	5,919.98

Categories of financial instruments

Amount in Mns

	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Mandatorily measured:			
Equity investments in other entities	745.56	732.00	711.15
JDA Deposits	433.69	387.80	340.12
Measured at amortised cost			
Cash and bank balances	98.22	117.21	111.49
Measured at cost			
Trade and other receivables	403.87	584.08	580.36
Other current financial assets	266.44	64.18	59.25
Financial liabilities			
Measured at amortised cost	776.18	646.15	110.00
Other Financial Liabilities -Measured at cost	5,315.05	4,607.12	4,790.24



Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 31:2 sets out details of additional undrawn facilities that the Company has at its disposal to reduce liquidity risk.

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

	Amount in Mns				
	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	274.49	274.49			274.49
Borrowings and interest thereon	5,578.08	4,801.90	776.18		5,578.08
Other financial liabilities	238.67	238.67			238.67
Foreign currency forward contracts, option contracts and interest and currency swaps	-				-
Total	6,091.23	5,315.05	776.18	-	6,091.23

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

Carrying value is Fair value

	Amount in Mns
	Carrying amount
Trade receivables	403.87
Investments	745.56
Loans	452.18
Other financial assets	266.44
Cash and cash equivalents	49.59
Bank balances other than Cash and Cash equivalents	48.62
Total	1,966.27

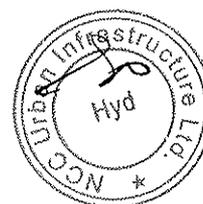
The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2016:

	Amount in ` million				
	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	302.83	302.83			302.83
Borrowings and interest thereon*	4,823.99	4,177.84	646.15		4,823.99
Other financial liabilities	126.45	126.45			126.45
Foreign currency forward contracts, option contracts and interest and currency swaps					
Total	5,253.27	4,607.12	646.15	-	5,253.27

The table below provides details of financial assets as at March 31, 2016:

Carrying value is Fair value

	Amount in ` million
	Carrying amount
Trade receivables	584.08
Investments	732.00
Loans	405.13
Other financial assets	64.18
Cash and cash equivalents	77.26
Bank balances other than Cash and Cash equivalents	39.95
Total	1,902.60



The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 01, 2015:

	Amount in ` million				
	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Accounts payable and acceptances	401.08	401.08			401.08
Borrowings and interest thereon*	4,402.46	4,292.46	110.00		4,402.46
Other financial liabilities	96.70	96.70	-	-	96.70
Foreign currency forward contracts, option contracts					-
Total	4,900.24	4,790.24	110.00	-	4,900.24

The table below provides details of financial assets as at April 01, 2015:
Carrying value is Fair value

	Amount in ` million
	Carrying amount
Trade receivables	580.36
Investments	711.15
Loans	351.60
Other financial assets	59.25
Cash and cash equivalents	78.98
Bank balances other than Cash and Cash equivalents	32.51
Total	1,813.84

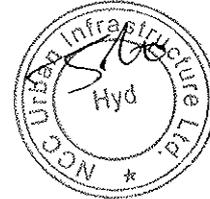
D) Income Tax and Deferred Tax reconciliation - Refer Annexure 2

E) Unused Financing facilities

No Eligible financing facilities which are unused as of 31st March 2017.

F) Equity and Profit Reconciliation - Refer note 2.24 of the Financial statements

G) Retention Money Receivable - Retention Money is receivable within in 1 year, hence categorised as current financial asset.

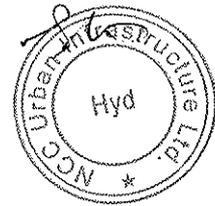


Notes forming part of the financial statements
Annexure 1

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

Amount in Mns

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:			
-long-term capital loss	-	-	-
-unused tax credits	-	-	-
	-	-	-



Note forming part of the financial statements
Annexure 2

Amount in Mns

	Year Ended March 31, 2017		Year Ended March 31, 2016	
Tax Expense				
Current Tax		-		3.90
Wealth Tax - Prior year's Tax		-		0.08
Current Tax - Prior year's Tax		-		0.50
Deferred Tax		(50.42)		(3.01)
Total		(50.42)		1.48

Reconciliation of tax expense to the accounting profit is as follows:

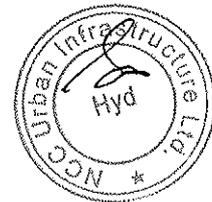
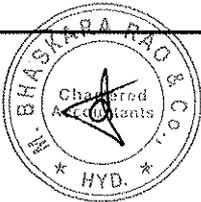
Amount in Mns

	Year ended March 31, 2017		Year ended March 31, 2016	
Accounting profit before tax		(147.05)		91.86
Tax expense at statutory tax rate@33.063%		-		30.37
Adjustments:				
Effect of income that is exempt from taxation	-		(26.47)	
Adjustments recognised in the current year in relation to the current tax of prior years	-		-	
Effect of expenses that are not deductible in determining taxable profit	-		-	
Effect of capital gains set off with unused capital losses	-		-	
Others	-		-	
		-		(26.47)
Tax expense reported in the Statement of Profit and Loss		-		3.90

Income tax credit / (expense) recognized in Other Comprehensive Income:

Amount in Mns

	Year ended March 31, 2017		Year ended March 31, 2016	
Tax effect on actuarial gains/losses on defined benefit obligations		-		-
Tax effect on foreign currency translation differences		-		-
Total		-		-



Annexure 2

Deferred tax assets (Net)

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2017

	Amount in Mns			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Total
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(3.31)	(15.28)	-	(18.58)
Business Loss	-	67.20	-	67.20
Provision for employee benefits	9.32	(1.51)	-	7.81
	<u>6.01</u>	<u>50.42</u>	-	<u>56.43</u>

Significant components of deferred tax (liabilities) / assets for the year ended March 31, 2016

	Amount in Mns			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Total
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(4.16)	0.85	-	(3.31)
Business Loss	-	-	-	-
Provision for employee benefits	7.16	2.16	-	9.32
	<u>3.00</u>	<u>3.01</u>	-	<u>6.01</u>

