

M. BHASKARA RAO & CO.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NCC INFRASTRUCTURE HOLDINGS LIMITED,

We have audited the accompanying financial statements of **NCC Infrastructure Holdings Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and the 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 Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, and its losses and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following Notes to Financial Statements

- a. Note 23 to the Financial Statements, which describe the uncertainty related to the outcome of the arbitration proceedings initiated against the Company by TAQA India Power Ventures Limited in connection with sale of investments in Himachal Sorang Power Limited and
- b. Note 24.4 to the Financial Statements regarding losses incurred by the subsidiary / other companies in which the Company has invested money / given advances
- c. Note 25.8 to the Financial Statements regarding non compliance with the applicable prudential norms to be followed by the Non Banking Financial Companies, issued by Reserve Bank of India.

Our opinion is not modified in the regard, in view of the reasons stated by the management in the said notes.

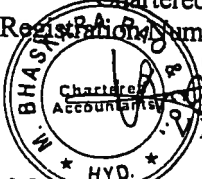
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; 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
- i. the Company has disclosed all known pending litigations in Note 23 to the financial statements. In this regard, the Company's management is of the opinion that the said matter, at present, is sub judice and the outcome of which is not determinable at this stage. Accordingly, the consequential impact on the financial statements, if any, in the opinion of the management could not be quantified.
- ii. the Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- iii. the provisions of the Investor Education and Protection Fund are not applicable to the Company.

Hyderabad, May 19, 2016

M Bhaskara Rao & Co
Chartered Accountants
Firm Registration Number: 000459S

K Muralidhar
Partner
Membership Number: 201570

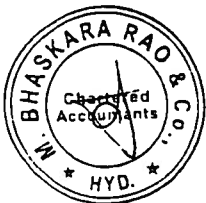
Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of NCC Infrastructure Holdings Limited)

- (i) In respect of its Fixed Assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of their assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of its inventories the company does not hold any inventories. Accordingly the provisions of clause 3 (ii) of the Order is not applicable to the company.
- (iii) According to the information and explanations given to us, the Company has granted loans secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- a) According to the information and explanations given to us, prima facie, the terms and conditions are not prejudicial to the interests of the Company.
 - b) According to the information and explanations given to us and the documents provided to us the said loans along with interest wherever applicable, are repayable only upon improving the liquidity of the respective companies/ financial closures for the projects intended to be developed in the respective companies. Hence, reporting on clauses 3 (iii) (b) and (c) are not applicable at present.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly clause 3(v) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148(1) (d) of the Companies Act, 2013 for the Company. Accordingly clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, in respect of statutory dues:



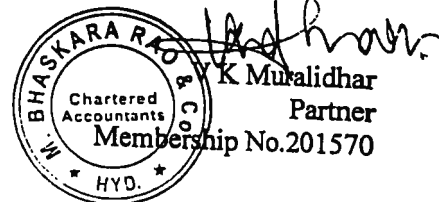
- (a) The Company has been regular in depositing undisputed applicable statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess were in arrears, as at 31st March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty or Value Added Tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the company has not availed any loans or borrowings from any financial institutions, bank, government or debenture holders. Accordingly, clause 3 (viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable.
- (x) During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, managerial remuneration has been paid / provided during the year in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.
- (xii) According to the information and explanations given to us and based on our examination of the records, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him during the year.



(xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934 as a Non-Banking Financial (Non-Deposit Accepting or Holding) Company ("NBFC") under the classification of Investment Company.

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

Hyderabad, May 19, 2016



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

We have audited the internal financial controls over financial reporting of **NCC Infrastructure Holdings Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

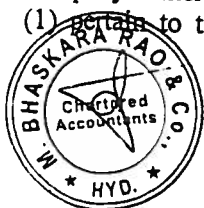
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the



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

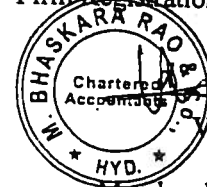
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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



K Muralidhar
K Muralidhar
Partner
Membership No. 201570

Hyderabad, May 19, 2016

NCC INFRASTRUCTURE HOLDINGS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Note No.	Year Ended March 31, 2016	Year Ended March 31, 2015
		Rupees	Rupees
<u>INCOME</u>			
Revenue from Operations	17	17,607,631	17,131,922
Other Income	18	470,194,922	483,741,041
Total -A		487,802,553	500,872,963
<u>EXPENSES</u>			
Employee benefits expense	19	30,145,083	24,206,964
Finance costs	20	626,576,902	470,757,739
Depreciation expense	9	396,573	1,130,729
Provison for Standard Assets		4,494,013	-
Dimunition in value of Investment		325,706,013	-
Other expenses	21	72,530,508	47,182,696
Total -B		1,059,849,092	543,278,128
Profit / (Loss) before tax (A-B)		(572,046,539)	(42,405,165)
Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) for the year		(572,046,539)	(42,405,165)
Earnings per share:			
Equity shares of Rs.10/- each fully paid			
Basic & Diluted	29	(0.82)	(0.06)
Corporate Information and Significant accounting policies	1 & 2		

See accompanying notes forming part of the financial statements

As per our Audit Report of even date attached

For M. BHASKARA RAO & CO.,
Chartered Accountants

V K Muralidhar

Partner

Place: Hyderabad

Date : 19.05.2016



For and on behalf of the Board

L.V. Pillai
Whole Time
Director

ART C.
Director

S. Srinivas
Company Secretary

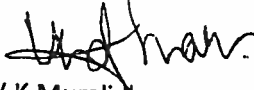
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NCC INFRASTRUCTURE HOLDINGS LIMITED
BALANCE SHEET AS AT MARCH 31 2016

Particulars	Note No.	As at	As at
		March 31, 2016	March 31, 2015
		Rupees	Rupees
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Share capital	3	6,960,504,460	6,960,504,460
Reserves and surplus	4	(602,840,847)	(30,794,308)
		6,357,663,613	6,929,710,152
Non-Current Liabilities			
Long term provisions	5	5,471,974	2,655,000
		5,471,974	2,655,000
Current liabilities			
Trade Payables	6	7,725,859	6,789,277
Other current liabilities	7	3,172,720,503	4,929,797,306
Short term provisions	8	159,568,675	159,568,675
		3,340,015,037	5,096,155,258
Total		9,703,150,624	12,028,520,410
<u>ASSETS</u>			
Non current assets			
Fixed assets			
- Tangible assets	9	498,529	1,760,115
Non-current investments	10.1	2,746,961,479	2,017,124,304
Long term loans and advances	11	1,498,004,497	1,496,904,497
Other non-current assets	12	31,250,721	32,445,705
		4,276,715,226	3,548,234,621
Current assets			
Trade receivables	13	836,000	1,637,760
Current Investments	10.2	5,417,744,913	7,986,189,613
Cash and cash equivalents	14	6,134,334	6,654,961
Short term loan and advances	15	242,233	230,157
Other Current Assets	16	1,477,918	485,573,298
		5,426,435,398	8,480,285,789
Total		9,703,150,624	12,028,520,410
Corporate Information and Significant accounting policies	1 & 2		

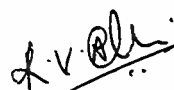

See accompanying notes forming part of the financial statements



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


Whole Time Director

Company Secretary


Director

C.F.O

Place: Hyderabad
Date : 19.05.2016

NCC INFRASTRUCTURE HOLDINGS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year Ended	Year Ended
	March 31, 2016	March 31, 2015
	Rupees	Rupees
A. Cash Flow from Operating Activities:		
Net Profit before Tax	(572,046,539)	(42,405,165)
Adjustments for:		
Interest on Sale Consideration	(469,089,775)	(483,737,144)
Interest from Bank Deposits	(1,105,147)	(3,897)
Loss on Sale of Investment	325,706,013	-
Loss on sale of Asset	(1,001,013)	-
Provision on Standard assets	4,494,013	-
Finance costs	626,576,902	470,757,739
Depreciation	396,573	1,130,729
Operating Profit / (Loss) before working capital changes	(86,068,973)	(54,257,738)
Changes in Working Capital :		
Increase/(decrease) in long term provisions	2,816,974	1,370,000
Increase/(decrease) in trade payables	936,582	3,019,680
Increase/(decrease) in other current liabilities	(335,754,251)	357,818,572
Increase/(decrease) in short term provisions	-	(362,500,000)
(Increase)/decrease in long term loans and advances	(1,100,000)	(101,000,000)
(Increase)/decrease in trade receivables	801,760	(828,768)
(increase)/decrease in other non current assets	(2,886,867)	(2,458,731)
(increase)/decrease in short term loans and advances	343,499	(1,989,364)
Cash generated from operations	(420,911,276)	(160,826,349)
Income taxes paid	4,081,851	(1,806,890)
Net Cash flow from operating activities: (A)	(416,829,425)	(162,633,239)
B. Cash Flow from Investing Activities:		
Capital expenditure on fixed assets	-	-
Proceeds from sale/purchase of fixed assets	(1,520,180)	-
Proceeds from sale of long-term investment in subsidiary	-	-
Proceeds from sale of long-term investments	3,521,271,619	-
Purchase of long-term investment in subsidiaries	(1,055,543,188)	-
Interest from Bank Deposits received	-	-
Net cash flow from investing activities (B)	2,464,208,251	-
C. Cash Flow from Financing Activities:		
Proceeds from ICD	-	171,127,568
ICD (refunded) / received	(954,167,979)	-
Finance cost	(1,093,731,475)	(6,566,246)
Net cash flow used in financing activities (C)	(2,047,899,453)	164,561,322
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(520,627)	1,928,084
Cash and cash equivalents at the beginning of the year	6,654,961	4,726,877
Cash and cash equivalents at the end of the year	6,134,334	6,654,961
NET CASHFLOW	(520,627)	1,928,084

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

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

Whole Time Director

Director

Company Secretary

C.F.O

Place : Hyderabad
Date : 19.05.2016

NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

1 CORPORATE INFORMATION

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

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Accounts :

The financial statements of the Company have been prepared on accrual basis under historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act 2013 ("the Act") / Companies Act, 1956 ("the 1956 Act") as applicable. and the Prudential norms prescribed by the RBI for NBFCs. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements which it believes to be prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known / materialised.

(c) Fixed Assets and Depreciation:

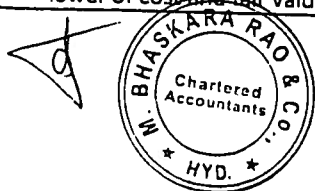
Fixed Assets are stated at cost of acquisition less accumulated depreciation thereon and impairment losses, if any. The Cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Up to 31st March 2014, Depreciation is provided on straight line method at the rates prescribed in Schedule XIV to the Companies Act, 1956. From 1st April 2014, Depreciation is provided on straight line method, in the manner stated in Schedule II to the Companies Act, 2013 and as per the useful lives stated in Part C to the said Schedule.

(d) Impairment of Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the assets net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

(e) Investments:

Investments are classified as long term and current investments. Long term investments are carried at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value.



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

(f) Revenue Recognition:

Management Fee

Revenue from project management consultancy services are recognized on accrual basis in accordance with the terms of the agreement.

Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable (accrual basis) in accordance with the terms of the agreement.

(g) Other Interest Income

Interest on bank deposits is recognized on accrual basis.

(h) 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 Accounting Standard (AS) - 15 " Employee Benefits" issued by the Companies (Accounting Standards) Rules, 2006.

Defined contribution plans

Company's contribution to provident fund made to Regional Provident Fund Commissioner is recognized as an expense.

Defined Benefit Plans :

Gratuity:

In accordance with the Payment of Gratuity Act, 1972 the company provides for gratuity covering eligible employees. Liability on account of gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

Compensated Absences:

Liability for Compensated Absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

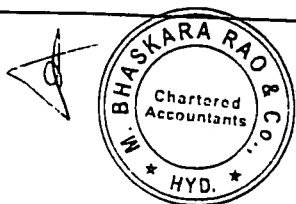
(i) Leases

The Company's leasing arrangements are mainly in respect of operating leases for premises. The leasing arrangements range from 11 months to 3 years generally and are usually cancellable / renewable by mutual consent on agreed terms. The aggregate lease rents payable are charged as rent in the Statement of Profit and Loss.

(j) Taxes:

Current Tax: Provision for Current Tax is made based on taxable income computed for the year under the Income Tax Act, 1961.

Deferred Tax: Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets on timing differences other than unabsorbed depreciation and loss are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized. Deferred tax assets on unabsorbed depreciation and unabsorbed business losses are recognised only when there is a virtual certainty that the sufficient future taxable income will be available against which such deferred tax asset can be realised.



NCC INFRASTRUCTURE HOLDINGS LIMITED

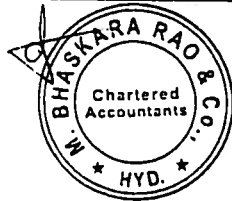
Notes to the financial statements for the year ended March 31, 2016

(k) Earning Per Share :

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS-20), Basic Earnings per Equity Share is computed by dividing the Net Profit for the year attributable to the Equity Shareholders by the Weighted Average Number of Equity Shares outstanding during the year. Diluted Earnings per Share is computed by dividing the Net Profit for the year, adjusted for the effects of dilutive potential Equity Shares, attributable to the Equity Share holders by the Weighted Average Number of the Equity Shares and dilutive potential equity shares outstanding during the year except where the results are anti dilutive.

(l) Provisions, Contingent Liabilities and Contingent Assets :

The Company recognizes provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A Disclosure for Contingent Liabilities is made in the notes on accounts when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

3. SHARE CAPITAL	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees	Number	Rupees
<u>Authorised</u> Equity Shares of Rs.10/-each	750,000,000	7,500,000,000	750,000,000	7,500,000,000
<u>Issued, Subscribed and Fully Paid Up</u> Equity Shares of Rs.10/-each	696,050,446	6,960,504,460	696,050,446	6,960,504,460
	696,050,446	6,960,504,460	696,050,446	6,960,504,460

(a) Reconciliation of the shares

	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees	Number	Rupees
At the beginning of the year	696,050,446	6,960,504,460	696,050,446	6,960,504,460
Issued during the year	-	-	-	-
At the end of the year	696,050,446	6,960,504,460	696,050,446	6,960,504,460

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

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the share holders.

(c) Shares held by the Holding company

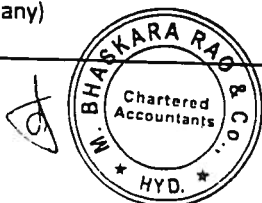
	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees	Number	Rupees
NCC Limited	471,323,321	4,713,233,210	471,323,321	4,713,233,210

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

	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% Holding	No. of Shares	% Holding
NCC Limited (the Holding Company - along with its nominees)	471,323,321	67.71%	471,323,321	67.71%
Gayathri Energy Ventures Private Limited	224,727,125	32.29%	224,727,125	32.29%

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

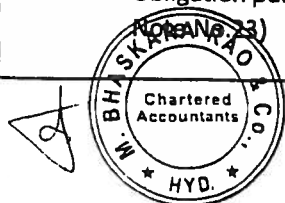
	Year of Issue	No of Shares	Amount in Rs.
Bonus Shares to NCC Limited (the Holding Company)	2013-14	409,730,426	4,097,304,260



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

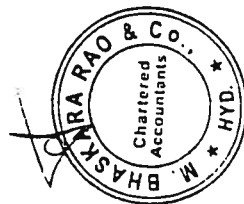
	As at March 31, 2016	As at March 31, 2015
	Rupees	Rupees
4. RESERVES AND SURPLUS		
Securities premium account		
Opening balance	285,645,390	285,645,390
Closing balance	285,645,390	285,645,390
General Reserve		
Opening balance	1,850,000	1,850,000
Closing balance	1,850,000	1,850,000
Reserve under Section 45 IC of RBI Act, 1934		
Opening balance	2,385,360	2,385,360
Closing balance	2,385,360	2,385,360
Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	(320,675,058)	(277,858,955)
Less : Depreciation Adjustment as per Companies Act, 2013	-	(410,938)
Add: Loss for the period/year	(572,046,539)	(42,405,165)
Closing balance	(892,721,597)	(320,675,058)
Total of Reserves and Surplus	(602,840,847)	(30,794,308)
5 LONG TERM PROVISIONS		
Provision for employee benefits:		
Provision for gratuity	31,518	1,416,000
Provision for compensated absences	946,443	1,239,000
Provison on Standard Assets	4,494,013	-
	5,471,974	2,655,000
6 TRADE PAYABLES		
Other than acceptances	7,725,859	6,789,277
	7,725,859	6,789,277
7 OTHER CURRENT LIABILITIES		
Advance received from holding company (Refer Note .23)	-	360,000,000
Inter Corporate Deposit received from Holding Company (Unsecured and carries an interest of 14% pa. Repayable after 31.03.2016 as mutually agreed upon with holding company)	2,804,832,493	3,759,000,472
Interest Accrued but not due - Inter Corporate Deposit	16,251,947	483,406,520
Advance consideration for sale of Investment (Ref. Note 23)	326,763,176	326,763,176
Other payables		
- Statutory remittances	17,327,613	627,138
- Others	7,545,274	-
	3,172,720,503	4,929,797,306
8 SHORT TERM PROVISIONS		
Obligation pursuant to sale of Investment in HSPL -(Refer Note No. 23)	159,568,675	159,568,675
Total	159,568,675	159,568,675



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

Tangible Assets	Gross Block at cost						Depreciation			Net Block	
	As at April 01, 2015	Additions	Disposals / Discarded	As at March 31, 2016	Upto March 31, 2015	Depreciation for the year	Disposals / Discarded	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015	
Furniture and Fixtures	346,130	-	-	346,130	241,595	11,958	-	253,553	92,577	104,535	
Vehicles	4,076,596	-	1,761,680	2,314,916	2,526,380	327,206	655,167	2,198,419	116,497	1,550,216	
Office equipment	3,631,003	241,500	-	3,872,503	3,525,640	57,409	-	3,583,049	289,454	105,363	
Total	8,053,729	241,500	1,761,680	6,533,549	6,293,614	396,573	655,167	6,035,020	498,529	1,760,115	
As at March 31, 2015	8,053,729	-	-	8,053,729	4,751,947	1,130,729	410,938	6,293,614	1,760,115	3,301,782	



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

10. Investments	As at March 31, 2016		As at March 31, 2015	
	Number	Rupees	Number	Rupees
10.1 : Non - Current Investments				
Long Term (AT COST)				
Trade Investments (Unquoted)				
A. In Equity Shares of Rs.10/- each, fully paid up				
(i) In Subsidiaries				
Samashti Gas Energy Limited	50,000	500,000	50,000	500,000
Western UP Tollway Limited (Refer Notes 10.1 (a))	4,913,354	477,160,404	4,913,354	477,160,404
NCC Infra Limited	50,000	500,000	50,000	500,000
OB Infrastructure Limited (Refer Notes 10.1 (d))	9,447,681	1,245,543,188	-	-
(ii) In Joint venture companies				
Bangalore Elevated Tollway Limited (Refer Notes 10.1 (b))	8,124,286	669,884,800	8,124,286	669,884,800
Pondicherry Tindivanam Tollway Limited (Refer Notes 10.1 (c))	1,612,791	154,079,100	1,612,791	154,079,100
(iii) In Fellow Subsidiary				
OB Infrastructure Limited (Refer Notes 10.1 (d))	-	-	1,900,000	190,000,000
B. In Preference Shares of Rs.10/- each, fully paid up				
(i) In Joint venture companies				
18% Redeemable Cumulative Convertible Preference Shares of Bangalore Elevated Tollway Limited	5,250,000	525,000,000	5,250,000	525,000,000
	29,448,112	3,072,667,492 (325,706,013)	21,900,431	2,017,124,304
		2,746,961,479		2,017,124,304
Less: Provision for diminution in value of Investments				
Sub Total (a)				
10.2 : Current Investments				
Current Investments (AT COST)				
Trade Investments (Unquoted)				
A. In Equity Shares of Rs.10/- each, fully paid up				
(i) In Associate Companies				
NCC Power Projects Limited (Refer Notes 10.2 (e))	561,847,279	5,015,245,830	818,691,749	7,583,690,530
(ii) In Other Entities				
Himachal Sorang Power Limited (Refer Notes 10.2 (f), & Note 23)	3,991,490	402,489,083	3,991,490	402,489,083
Machilipatnam Port Limited	1,000	10,000	1,000	10,000
Sub Total (b)	565,839,769	5,417,744,913		7,986,189,613
Aggregate Amount of Quoted Investments		-		-
Aggregate Amount of Unquoted Investments		8,164,706,392		10,003,313,917
Aggregate Market Value of Quoted Investments		-		-

Notes:

10.1 (a) Of these 49,13,054 Shares (31.03.15 : 49,13,054 shares) are pledged with Industrial Development Finance Corporation of India Limited as security for term loans availed by Western UP Tollway Limited

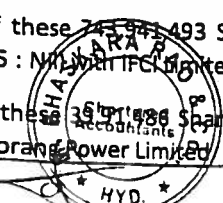
10.1 (b) Of these 24,61,406 shares (31.03.2015 : 24,61,406 shares) are pledged with Punjab National Bank and Nil shares (31.03.2015 : 2,998,100 shares) are pledged with Canara bank as security for term loans availed to Bangalore Elevated Tollway Limited

10.1(c) Of these 12,34,408 Shares (31.03.15 : 12,34,408 shares) are pledged with Axis Bank & WITCO as security for term loans availed by Pondicherry Tindivanam Tollway Limited

10.1 (d) Of these 48,18,369 Shares (31.03.15 : 9,69,000 shares) are pledged with IDBI Trusteeship Services Limited as security for NCD issued by OB Infrastructure Limited

10.2 (e) Of these 743,941,493 Shares (31.03.15 : 743,941,493 shares) are pledged with Rural Electrification Corporation Limited and Nil (31.03.2015 : Nil) with IFCI Limited as security for term loans availed by NCC Power Projects Limited

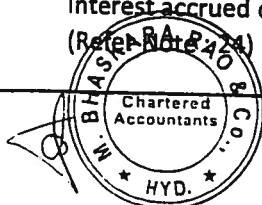
10.2 (f) Of these 39,91,486 Shares (31.03.15 : 39,91,486 shares) are pledged with Axis Bank Limited as security for term loans availed by Himachal Sorang Power Limited



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

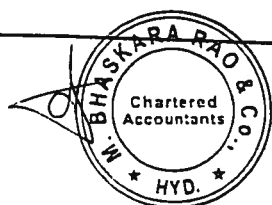
	As at March 31, 2016	As at March 31, 2015
	Rupees	Rupees
11. Long Term Loans and Advances		
Loans and advances to related parties (Refer Note 28 (d)(a)) (Unsecured, considered good)		
Subsidiaries	510,398,148	510,298,148
Joint venture companies	663,209,200	663,209,200
Enterprises owned or significantly influenced by key management personnel or their relatives	19,470,100	18,470,100
	1,193,077,448	1,191,977,448
Other loans and advances Unsecured, considered good (Refer Note 23)	304,927,049	304,927,049
	304,927,049	304,927,049
	1,498,004,497	1,496,904,497
12. Other Non-Current Assets		
Interest accrued on loans	9,261,437	6,374,570
Advance income tax and tax deducted at source (net of provision Rs. 4,400,497/- (31.03.2015: Rs.4,400,497))	21,989,284	26,071,135
	31,250,721	32,445,705
13. Trade Receivables (Unsecured, considered good) Other trade receivables	836,000	1,637,760
	836,000	1,637,760
14. Cash and Cash Equivalents		
Cash on Hand	15,271	2,707
Balance with banks:		
In Current Account	6,119,064	6,632,255
In Fixed deposits (Less than 3 months maturity)	-	20,000
	6,134,334	6,654,961
15. Short Term Loans and Advances (Unsecured, considered good)		
Prepaid Expenses	230,995	180,174
Advances recoverable in cash or in kind or for value to be received	11,238	49,983
	242,233	230,157
16. Other Current Assets		
Cenvat Credit Available	1,474,021	1,832,257
Interest accrued on Deposits	3,897	3,897
Interest accrued on Sale Consideration (Refer Note 24)	-	483,737,144
Total	1,477,918	485,573,298



NCC INFRASTRUCTURE HOLDINGS LIMITED

Notes to the financial statements for the year ended March 31, 2016

	Year Ended March 31, 2016	Year Ended March 31, 2015
	Rupees	Rupees
17. REVENUE FROM OPERATION		
Interest on Loans	3,207,631	2,731,922
Management Fee	14,400,000	14,400,000
	17,607,631	17,131,922
18. OTHER INCOME		
Interest on Sale consideration (Refer Note : 24)	469,089,775	483,737,144
Interest on I.T.Refund	1,105,147	-
Interest on Bank Depoist	-	3,897
	470,194,922	483,741,041
19. EMPLOYEE BENEFITS		
Salaries, Wages & Other allowances	28,943,464	22,759,924
Contribution to Provident funds	1,181,295	1,337,317
Staff welfare expenses	20,324	109,723
	30,145,083	24,206,964
20. FINANCE COST		
Interest to others	624,748,625	467,620,257
Commission on Bank Guarantee	1,808,314	3,127,568
Bank Charges	19,963	9,914
	626,576,902	470,757,739
21. OTHER EXPENSES		
Rent	853,830	1,887,417
Rates and Taxes	88,675	558,159
Power charges	250,850	535,672
Travelling and Conveyance	1,839,194	937,832
Insurance	268,617	57,536
Repairs and Maintenance - other assets	276,400	262,854
Professional Charges	54,053,664	28,816,640
Audit Fees	234,725	230,338
Office Maintenance	257,914	892,423
Loss on Sale of Asset	1,001,013	-
Arbitration Costs	12,188,145	12,327,860
Miscellaneous Expenses	1,217,481	675,965
	72,530,508	47,182,696



NCC Infrastructure Holding Limited;
Notes to the financial statements for the year ended March 31, 2016

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

	As at March 31, 2016 Rupees	As at March 31, 2015 Rupees
Contingent liabilities :		
a) Corporate Guarantee given to banks and financial institutions on behalf	52,850,000,000	52,850,000,000
b) Bank guarantees furnished by the holding company on behalf of the company (Refer Note 23)	-	-
c) Disputed Income Tax Demands in respect of whom the company is an appeal before higher authorities.	-	-
Commitments:		
a) Funding commitments to subsidiaries and associate companies	-	16,492,652
	-	<u>16,492,652</u>

23. Contingent Liabilities (to the extent not provided for) - Sale of Investment in HSPL

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

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

- Initial Sale (on the date of the SPA) envisaged transfer of :

i) Sale of 1,52,810 Equity Shares of Rs. 10/- each of HSPL held by the Company

ii) Sale of 78,58,900 Zero Coupon Irredeemable Fully Convertible Debentures of Rs. 10/- each of HSPL held by the Company

The transfer of shares and debentures as envisaged was completed and the Company has realised the proceeds for the said transfer

- In respect of Subsequent Sale in which transfer of 39,91,490 Equity Shares of Rs. 10/- each of HSPL held by the Company is to be effected, the Company received an amount of Rs. 49,95,18,200 from TAQA against gross consideration of Rs.58,95,18,200/-. The amount received (net of estimated related costs to be incurred aggregating to Rs. 17,27,75,024/-) is treated as "Advance Sales Consideration received". As at the reporting date, the transfer could not be effected due to various reasons as detailed below:

In terms of SPA, the Company should achieve wet commissioning by March 2014 within agreed cost of Rs.890 Crores. In case these conditions are not met NCCIHL shall be obliged to bear all the costs above estimated cost of the project of Rs.890 Crores, till wet commissioning, from the gross consideration.

The Company could not achieve wet commissioning due to force-majeure events such as floods, etc and TAQA has taken control of operations of HSPL effective from March 2013 by taking over the majority control in the Board of Directors of HSPL. Further, TAQA also took over the management of the project of HSPL during November 2013.

During 2014 - 15, TAQA had invoked the arbitration proceedings under the SPA, in Singapore International Arbitration Centre, detailing various disputes / claims aggregating to Rs. 409,89,88,202/-. The Company denied all the disputes / claims in its entirety and also raised Counter Claims aggregating to Rs. 210,33,49,952/- and admitted that it will nominate it's arbitrator for resolving the matter . Response to Notice of Arbitration was also sent to TAQA and HSPL.

During the year 2012-13, the management has estimated and made a provision of Rs. 51,95,68,675/- towards its obligation to meet cost over runs, contingencies, etc. TAQA during 2014 - 15 invoked bank guarantee of Rs.36,00,00,000, submitted by the Company as security. The net amount of Rs.15,95,68,675/- (net of amount of bank guarantee invoked) is presented under 'Short-term provisions - Obligation on sale of investments in HSPL .

Management is expecting that the said Arbitration proceedings will commence during June 2016



Since the matter, at present, is sub-judice, the impact of the same, if any, on the financial statements of the Company is not ascertainable. Further, the management based on legal advice is confident, that there may not be any significant impact on financial statements as a result of outcome of arbitration proceedings.

The management, at this juncture, does not foresee any adjustments to be made in the financial statements of the Company. The adjustments, if any, required will be made on completion of said arbitration proceedings.

24. Investments

24.1 OB Infrastructure Limited:

During the year under report the company has acquired 75,47,681 Equity shares of Rs.10 each from NCC Limited(Holding Company) at a price of Rs.139.85 per share. The consideration paid is based on an valuation made by independent valuer.

24.2 NCC Power Projects Limited:

The company entered into an agreement with Sembcorp Utilities PTE Limited(SEU) Singapore on February 1, 2014. Pursuant to the said agreement the company during the year sold 25,68,44,470 shares to Singapore and realised the entire sale proceeds and Interest on sale consideration in terms of the said agreement up to the date of concluding the sale.

24.3 Western UP Tollway Limited

During Jan 2016 the company entered into an agreement for selling its entire investment to Cube Highways and Infrastructure PTE Limited. Pursuant to the said agreement the resultant loss on the proposed sale of equity shares held by the company in Western UP Tollways Limited has been recognised as "Diminution in value of Investments" in Statement of Profit and Loss for the year ended March 2016.

24.4 Provision for Diminution in the value of Investments / for recoverability of advances to Subsidiaries / Joint Venture Companies:

Following companies in which the company has invested in Equity Shares and / or in Preference Shares or has advanced monies have incurred losses during the year and also have accumulated losses as at the end of the reporting period.

i) Bangalore Elevated Tollway Limited (ii) Pondicherry Thindivanam Tollway Limited (iii) OB Infrastructure Ltd (iv) Samasthi Gas Energy Ltd (v) Himalayan Green Energy Private Ltd

Management is of the opinion that the erosion in the book value of the investment and present financial position of these companies is of temporary in nature and expects that the fair value of these investments is more than the cost and also advances are fully recoverable. Hence no provision for diminution in the value of investments has been made. Further, management is of the opinion that the advances are fully recoverable and hence no provision has been made.

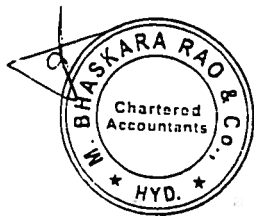


25. Disclosure in terms of paragraph -13 of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

S.NO.	PARTICULARS	AMOUNT OUTSTANDING Rupees	AMOUNT OVER DUE Rupees
	Liabilities Side :		
1	Loans and Advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of Public Deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter - Corporate Loans and Borrowings from NCC	-	-
	(e) Commercial Paper	2,821,084,440	-
	(f) Other Loans (Specify Nature)	-	-
	Assets Side :		
2	Break-Up of Loans and Advances including bills receivables (other than those included in (4) below)		
	(a) Secured	-	-
	(b) Unsecured	-	-
	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	1,508,113,172	-
3	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on hire including hire charges under Sundry Debtors :		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other Loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-



4.	Break - up of Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Bonds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	2. Unquoted	-	-
	(i) Shares : (a) Equity	5,417,744,913	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Bonds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	Long Term Investments		
	1. Quoted :		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Bonds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please Specify)	-	-
	2. Unquoted	-	-
	(i) Shares : (a) Equity	2,221,961,479	NA
	(b) Preference	525,000,000	NA
	(ii) Debentures and Bonds	-	NA
	(iii) Units of Mutual Bonds	-	NA
	(iv) Government Securities	-	NA
	(v) Others (Please Specify)	-	NA
		8,164,706,392	-



5	Borrower group - wise classification of Assets financed as in (2) and (3) above		
	CATEGORY	Amount Net of Provisions	
		Secured	Unsecured
	1. Related Parties :		
	(a) Subsidiaries	-	510,398,148
(b) Companies in the Same Group	-	663,209,200	
© Other Related Parties	-	29,567,537	
2. Other than Related Parties	-	304,938,287	
Total	-	1,508,113,172	
6	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)		
	CATEGORY	Market Value/Breakup or fair value or NA	Book Value (Net of provision)
	1. Related Parties :		
	(a) Subsidiaries	1,397,997,579	NA
(b) Companies in the Same Group	6,364,209,730	NA	
(c) Other Related Parties	-	NA	
2. Other than Related Parties	402,499,083	NA	
Total	8,164,706,392	NA	
7	Other information		
	PARTICULARS	Amount	
	(i) Gross Non- Performing Assets		
	(a) Related Parties	-	-
	(b) Other than related parties	-	-
(ii) Net Non-Performing assets			
(a) Related Parties	-	-	
(b) Other than related parties	-	-	
(iii) Assets acquired in satisfaction of debt	-	-	
8	The company, temporarily is not in compliance with the applicable Prudential Norms issued by Reserve Bank of India for Non-Banking Financial Companies. This non compliances relate to "Net Owned Funds" and "Capital to Risk Weighted Assets Ratio". Management has already initiated actions for improving both the ratios and expects by March 31st 2017, the company will be in compliance with the said ratios.		



NCC Infrastructure Holding Limited

Notes to Financial Statements for the year ended March 31, 2016

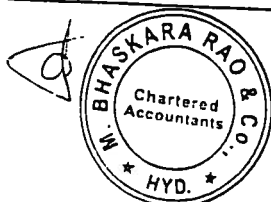
26. Employee Benefits

Liability for retiring gratuity as on March 31, 2016 is Rs.18,16,974 (March 31, 2015: 14,16,000) and included in provision for gratuity. The liability for gratuity and cost of compensated absence Rs. 9,46,443 (March 31, 2015 Rs. 12,39,000/-) are unfunded and has been actuarially determined and provided for in books.

Expenses recognised in Statement of Profit and Loss	Gratuity		Compensated Absence	
	March 31, 2016 Rupees	March 31, 2015 Rupees	March 31, 2016 Rupees	March 31, 2015 Rupees
Current service cost	181,955	29,000	488,086	46,000
Interest cost	117,953	118,000	99,120	185,000
Benefits Paid	(1,000,000)	(1,000,000)	(1,466,326)	(854,000)
Net actuarial (gain)/loss	1,101,065	796,000	586,563	(450,000)
Net benefit expense	400,973	(57,000)	(292,557)	(1,073,000)
Benefit asset/liability				
Present value of defined benefit obligation	1,816,974	1,416,000	946,443	1,239,000
Fair value of plan assets	1,785,456	-	-	-
Net asset/(liability)	31,518	1,416,000	946,443	1,239,000
The above Liability Classified as				
Long Term	1,816,974	1,416,000	946,443	1,239,000
Short Term	-	-	-	-
Change in present value of the defined benefit obligations				
Opening defined benefit obligation	1,416,000	1,473,000	1,239,000	2,312,000
Current service cost	181,955	29,000	488,086	46,000
Interest cost	117,953	118,000	99,120	185,000
Benefits paid	(1,000,000)	(1,000,000)	(1,466,326)	(854,000)
Actuarial (gains)/losses on obligation	1,101,065	796,000	586,563	(450,000)
Closing defined benefit obligation	1,816,973	1,416,000	946,443	1,239,000
Actuarial (gain)/loss recognized				
Actuarial (gain)/loss of obligation	1,101,065	796,000	(586,563)	(450,000)
Actuarial (gain)/loss of planned assets	-	-	-	-
Total (gain)/loss for the period	1,101,065	796,000	(586,563)	(450,000)
Actuarial (gain)/loss recognized	1,101,065	796,000	(586,563)	(450,000)
unrecognized actuarial (gain)/losses	-	-	-	-
Assumptions for gratuity and Leave encashment				
Discount rate	8%	8%	8%	8%
Rate of increase in compensation levels	6%	6%	6%	6%
Rate of return on plan assets	0	0	0	0
Expected average future service of employees (years)	16	16	16	16

27. Segment Information

The Company's operations predominantly consist of Investment in Group Companies. Hence there are no reportable segments under Accounting Standard-17. During the year under report, the Company's business has been carried in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.



NCC Infrastructure Holding Limited
Notes to the financial statements for the year ended March 31, 2016

28. Related party transactions

a) List of related parties and relationship

Name of the Related party	Relationship
M/s. NCC Limited	Holding Company
M/s. Gayathri Energy Ventures Private Limited	Entity under the significant influence of Key Management Personnel
M/s. NCC Power Projects Limited	Associate
M/s. Samishti Gas Energy Limited	Subsidiary
M/s. Western UP Tollway Limited	Subsidiary
M/s. OB Infrastructure Limited	Subsidiary
M/s. Bangalore Elevated Tollway Limited	Joint Venture Company
M/s. Pondicherry Thindivanam Tollway Limited	Joint Venture Company
M/s. Himalayan Green Energy Private Limited	Associate
M/s. Brindavan Infrastructure Company Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
M/s. Arnesh ventures Private Limited	
M/s. Bhuvanesh realtors Private Limited	
M/s. Lalit agro farms Private Limited	
M/s. Mihika Agro Farms Private Limited	
M/s. Narasimha developers Private Limited	
M/s. Ruthvik estates Private Limited	
M/s. Shyamala agro farms Private Limited	
M/s. Suguna Estates Private Limited	
M/s. Sirisha projects Private Limited	

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

	March 31, 2016	March 31, 2015
(i) Inter Corporate Deposit Received		
M/s. NCC Limited	77,445,000	168,000,000
(ii) Loans/Advances given		
M/s. Samishti Gas	100,000	200,000
M/s. Himalayan Green Energy Private Limited	1,000,000	800,000
M/s. NCC Infra Limited	-	100,000,000
(iii) Interest Income on Loans given		
M/s. Himalayan Green Energy Private Limited	3,207,630	2,731,922
(iv) Inter Corporate Deposit paid		
M/s. NCC Limited	1,031,612,979	-
(v) Interest on Inter Corporate Deposit paid		
M/s. NCC Limited	1,074,107,617	-
(vi) Advance refunded		
M/s. NCC Limited	360,000,000	-
(vii) Investment made		
M/s. OB Infrastructure Limited	1,055,543,188	-
(viii) Management Fee (Excluding Servicetax)		
M/s. Western UP Tollway Limited	4,800,000	4,800,000
M/s. Bangalore Elevated Tollway Limited	4,800,000	4,800,000
M/s. OB Infrastructure Limited	4,800,000	4,800,000
(ix) Rent Paid		
M/s. Arnesh ventures Private Limited	107,680	234,510
M/s. Bhuvanesh realtors Private Limited	107,680	234,510
M/s. Lalit agro farms Private Limited	107,680	234,510
M/s. Mihika agro farms pvt Limited	107,680	234,510
M/s. Narasimha developers Private Limited	107,680	234,510
M/s. Ruthvik estates Private Limited	107,680	234,510
M/s. Shyamala agro farms Private Limited	107,680	234,510
M/s. Suguna Estates Private Limited	107,680	234,510
M/s. Sirisha projects Private Limited	107,680	234,510
(x) Expenses Debited by the holding company		
M/s. NCC Limited	1,808,314	3,127,568
(xi) Advance received		
M/s. NCC Limited	-	360,000,000
(xii) Interest on Inter Corporate Deposit from Holding Company		
M/s. NCC Limited	624,392,271	467,620,257

NCC Infrastructure Holding Limited

Notes to the financial statements for the year ended March 31, 2016

(c) Credit Balances Outstanding

(a) Inter Corporate Deposit from Holding Company

M/s. NCC Limited

2,804,832,493 3,759,000,472

(b) Interest Accrued but not Due on ICD

M/s. NCC Limited

16,251,947 483,406,520

(c) Advance from Others

M/s. NCC Limited

- 360,000,000

(d) Rent Payable

M/s. Arnesh ventures Private Limited

464,156 367,244

M/s. Bhuvanesh realtors Private Limited

464,156 367,244

M/s. Lalit agro farms Private Limited

464,156 367,244

M/s. Mihika agro farms pvt Limited

464,156 367,244

M/s. Narasimha developers Private Limited

464,156 367,244

M/s. Ruthvik estates Private Limited

464,156 367,244

M/s. Shyamala agro farms Private Limited

464,156 367,244

M/s. Suguna Estates Private Limited

464,156 367,244

M/s. Sirisha projects Private Limited

464,156 367,244

(e) Trade Payables

M/s. NCC Limited

1,808,314

M/s. Sembcorp Gayathri Power Limited

5,736,960

(d) Debit Balances Outstanding

(a) Long Term Loans/Advances

Subsidiaries

M/s. Western UP Tollway Limited

396,189,596 396,189,596

M/s. Samishti Gas

14,208,552 14,108,552

M/s. NCC Infra Limited

100,000,000 100,000,000

In Joint Venture companies

M/s. Bangalore Elevated Tollway Limited

401,679,200 401,679,200

M/s. Pondicherry Thindivanam Tollway Limited

261,530,000 261,530,000

In Enterprises owned or significantly influenced by key management personnel or their relatives

M/s. Himalayan Green Energy Private Limited

19,470,100 18,470,100

(b) Interest Accrued on Loans

In Enterprises owned or significantly influenced by key management personnel or their relatives

M/s. Himalayan Green Energy Private Limited

9,261,437 6,374,570

(c) Trade Receivables

M/s. Bangalore Elevated Tollway Limited

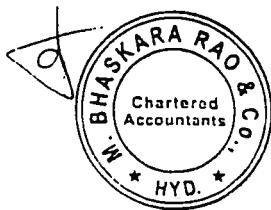
836,000

M/s. OB Infrastructure Limited

1,637,760

29. Earnings per share (EPS)

	As at March 31, 2016	As at March 31, 2015
Net Profit/(Loss) after tax available for equity shareholders (in Rupees)	(572,046,539)	(42,405,165)
Weighted average no of equity shares for Basic EPS	696,050,446	696,050,446
Weighted average no of equity shares for diluted EPS	696,050,446	696,050,446
Face value per share	10	10
Basic EPS	(0.82)	(0.06)
Diluted EPS	(0.82)	(0.06)



NCC Infrastructure Holding Limited

Notes to the financial statements for the year ended March 31, 2016

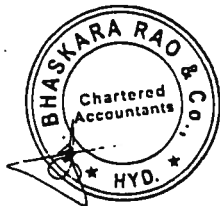
30. Disclosure under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

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

31. The Company is a non-banking financial company primarily engaged in the business of investing in group companies and bidding and executing infrastructure projects. Hence, the quantitative details of sales and information as required under paragraphs 5(viii) (a) (b) (c) (d) and (e) of general instructions for preparation of the statement of profit and loss as per revised Schedule VI to the Companies Act, 2013 has not been given.

32. Previous figures have been recast/ restated to conform to the classification required by the Revised Schedule VI to financial statements for the year ended March 31, 2016

for and on behalf of the board


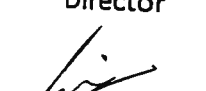


Place : Hyderabad

Date : 19.05.2016


Whole Time
Director


Company Secretary


Director

C.F.O