

NCC LIMITED.

Regd.Office: NCC House , Madhapur, Hyderabad – 500 081.

Notice

Notice is hereby given that the Twenty Third Annual General Meeting of the members of NCC LIMITED will be held on Friday, the 27th September, 2013, at 3.30 P.M. at KLN Prasad Auditorium, Federation House, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills Hyderabad-500004, Andhra Pradesh to transact the following business:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on the Equity Shares for the financial year 2012-2013.
3. To appoint a Director in place of Sri P Abraham, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sri A V N Raju, who retires by rotation and being eligible, offers himself for reappointment.
5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

-RESOLVED THAT M/s. M Bhaskara Rao & Co., Chartered Accountants (Registration No. 000459S) and M/s. Deloitte Haskins and Sells, Chartered Accountants, (Registration No. 008072S) the retiring Joint Statutory Auditors of the Company, be and are hereby re-appointed as the Joint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors of the Company".

II. SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
7. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

-RESOLVED THAT Dr. Rakesh R Jhunjhunwala, Director liable to retire by rotation, who does not offer himself for re-appointment be not re-appointed as a Director of the Company and the vacancy so caused on the Board of the Company be not filled-up".

-RESOLVED THAT notice of intention to propose Sri Anil P Gupta for appointment as a Director having been received from a member under Section 257 of the Companies Act, 1956, Sri Anil P Gupta who was appointed as an Additional Director of the Company during the year and who holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation".

8. To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:
- RESOLVED THAT** notice of intention to propose Sri T N Manoharan for appointment as a Director having been

received from a member under Section 257 of the Companies Act, 1956, Sri T N Manoharan who was appointed as an Additional Director of the Company during the year and who holds office up to the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation".

**BY ORDER OF THE BOARD
For NCC Limited.**

M V SRINIVASA MURTHY
COMPANY SECRETARY & Sr.VP (Legal)

Place: Hyderabad
Date :May 22,2013

NOTES:

1. **Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under item No(s). 6, 7 & 8 set out above is annexed hereto.**
2. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m upto the date of the Annual General Meeting.
3. **A member entitled to attend and vote at the Annual General Meeting (the -Meeting-) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, should reach the Registered Office of the Company at least 48 hours before the time of the meeting.**
4. **Corporate members intending to send their authorized representative (s) to attend the Meeting, are requested to send to the Registered Office of the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting**
5. **The Register of Members and the Share Transfer Books of the Company will be closed from Monday the 16th September, 2013 to Saturday the 21st September, 2013 (both days inclusive).**
6. Members are requested to notify immediately any change of address or bank mandates to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Registrars of the Company i.e. Karvy Computershare Private Ltd , Plot No. 17-24, Vittalrao Nagar, Madhapur, Hyderabad-500081 in respect of their physical share folios, if any.
7. Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting and are requested to sign at the place provided on the attendance slip and hand it over at the entrance to the venue.
8. **A member desirous of seeking any information on the accounts or operations of the Company is requested to forward his / her query in writing to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.**
9. In order to service the shareholders effectively and for administrative convenience, members are requested to notify

multiple folios standing in their name for consolidation, if any, to the Secretarial Department at the Registered Office of the Company immediately.

10. Members who wish to make nomination for the shares held in the Company may kindly send the details in the form 2B as prescribed under the Companies Act, 1956 to the Registrars of the Company.
11. The dividend for the Financial Year ended March 31, 2013 as recommended by the Board, if approved at the ensuing Annual General Meeting, will be payable to those members whose names appear on the Company's Register of Members on 21st September, 2013.
12. **Pursuant to the provisions of Section 205A of the Companies Act, 1956 as amended, read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules 2001, dividend which remains unpaid or unclaimed for a period of 7(seven) years will be transferred to the Investor Education and Protection Fund. Shareholders / Investors who have not encashed the dividend warrant(s) so far are requested to make their claim by specifying their Folio No./ DP ID and Client ID to the Secretarial Department of the Company at NCC House, Madhapur, Hyderabad 500 081. Shareholders are requested to please note that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim shall lie in respect thereof.**
13. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or M/s. Karvy Computershare Private Ltd for assistance in this regard.
14. **Appointment/Re-appointment of Directors**

At the ensuing Annual General Meeting, Sri P.Abraham and Sri A V N Raju Directors retire by rotation and being eligible offer themselves for re-appointment. Dr. Rakesh R Jhunjhunwala, Director who also retires by rotation at the ensuing Annual General Meeting has indicated to the Company that he is not seeking re-appointment due to pre-occupation. Appointment of Sri Anil P Gupta and Sri T.N.Manoharan as Directors of the Company is being regularised. The relevant information as required under clause 49 of the Listing Agreement concerning Corporate Governance Code in respect of appointment/re-appointment of Directors is given below for the information of the Members:

- a. **Sri P.Abraham, IAS (Retd.)** is a Non-Executive Independent Director on the Board of the Company and joined the Board in the year 2006. He held senior positions in the Govt. of India including that of Secretary, Ministry of Power, Govt. of India. He was also the Chairman of Maharashtra State Electricity Board. He also serves on the Boards of GVK Power and Infrastructure Company Ltd, Taj GVK Hotels & Resorts Ltd, JSW Energy Ltd, Vijay Electricals Ltd, Lanco Infratech Limited, GVK Energy Ltd, Visaka Industries Ltd, NCC Infrastructure Holdings Ltd, Lanco Amarkantak Power Ltd, Raj West Power Ltd, Orient Green Power Company Ltd and Magnetar Venture Private Ltd. He is a member of the Audit Committee, Corporate Governance Committee, Nomination Committee and HR & Compensation of the Board of Directors of the Company and also a member of Audit and Remuneration Committees of the Board of Directors of GVK Power and Infrastructure Limited and JSW Energy Limited,

member of Audit Committee of the Board of Vijay Electricals Limited and also a member of Remuneration Committee of the Board of NCC Infrastructure Holdings Limited. He does not hold any shares in the Company.

- b. **Sri AVN Raju** is one of the Promoter Directors serving as a Wholtime Director on the Board of the Company since 2006. He holds a Bachelor's Degree in Arts and has over 25 years of industry experience. He also serves on the Board of NCC Vizag Urban Infrastructure Limited and a member of the Audit Committee of the Board of NCC Vizag Urban Infrastructure Limited. He holds 36,85,750 equity shares of the Company representing 1.44 % of the paid up equity share capital of the Company. He is related to the Promoter Directors of the Company viz., Sri AAV Ranga Raju, Sri AGK Raju, Sri ASN Raju, Sri NR Alluri, Sri JV Ranga Raju and Sri AKHS Rama Raju.
- c. **Sri T N Manoharan**, M.Com, LL.B and FCA has around 30 years of rich experience with specialization in Taxation & Accountancy. He was the President of the Institute of Chartered Accountants of India (2006-07); Chairman ICAI Accounting Research Foundation; Member of Central Direct Taxes Advisory Committee constituted by the Central Board of Direct Taxes, Ministry of Finance, Government of India, Member of National Advisory Committee on Accounting Standards constituted by the Ministry of Corporate Affairs, Government of India, Member on the Board of Insurance Regulatory & Development Authority, Chairman of National Committee on Accounting Standards of Confederation of Indian Industry (CII) etc., Sri Manoharan has received a number of awards and has also been invested with the Civilian Award "PADMA SHRI" by the Hon'ble President of India. He has authored several books in the field of Taxation & Accountancy. He has widely travelled abroad covering over 80 countries representing Indian accounting profession. He is also director on the Board of Satyam Computer Services Ltd, MCA Management Consultants Ltd, MCA Capital Advisors Private Ltd, MCA Telecom Consultancy Services Private Ltd and Nani Palkivala Arbitration Centre. He does not hold any shares in the Company.
- d. **Sri Anil P Gupta**, BE (Hons) from BITS Pilani and MBA from the Faculty of Management Studies, Delhi University and a certified GE Six Sigma Master Blackbelt with over 35 years of diverse Global and Regional Leadership experience in top companies both in India and abroad. Sri Gupta was earlier associated with Reliance ADAG Infrastructure Group as its President & Head of Infrastructure. Prior to that he served in positions of increasing responsibility in reputed organizations like NTPC, ABB, GE and Honeywell. He does not hold any shares in the Company.

ANNEXURE TO NOTICE:

Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956.

As required under Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the Special Business specified in item no(s) 6,7 & 8 of the Notice of the Meeting.

Item no.6

In accordance with the Articles of Association of the Company, Dr Rakesh R Jhunjhunwala, Director retires by rotation at the ensuing Annual General Meeting. Dr Rakesh R Jhunjhunwala, has indicated to the Company that he is not seeking reappointment

due to pre-occupation.

Dr Rakesh R Jhunjhunwala has been on the Board of the Company since March, 2004. The Board places on record its sincere appreciation and recognition of the valuable contribution and services rendered by Dr Rakesh R Jhunjhunwala during his tenure as a Director on the Board of the Company. The Board proposes that the vacancy caused by his retirement be not filled-up.

None of the Directors other than Dr Rakesh R Jhunjhunwala may be deemed to be concerned or interested in the afore said resolution.

The Board recommends the resolution for your approval.

Item no.7

Sri Anil P Gupta was appointed by the Board of Directors as an Additional Director (Independent Director) on the Board of the Company with effect from 26th September, 2012 in terms of section 260 of the Companies Act, 1956 and holds office upto the date of the 23rd Annual General Meeting. He is also a member of the Audit Committee of the Board of Directors of the Company. As stipulated under Section 257 of the Companies Act, 1956 the Company has received a Notice of intention proposing Sri Anil P Gupta as a Director of the Company together with the requisite deposit from a member of the Company. Profile of Sri Anil P Gupta is given as a part of the requirements of Clause 49 under Sl.No. 14 (d) forming part of the Notes to the Notice convening the 23rd Annual General Meeting of the Company.

Sri Anil P Gupta is proposed to be appointed as a Director of the Company liable to retire by rotation. None of the Directors other

than Sri Anil P Gupta may be deemed to be concerned or interested in the afore said resolution.

The Board recommends the resolution for your approval.

Item No.8

Sri T.N.Manoharan was appointed by the Board of Directors as an Additional Director (Independent Director) on the Board of the Company with effect from 26th September, 2012 in terms of section 260 of the Companies Act, 1956 and holds office upto the date of the 23rd Annual General Meeting. He is also a member of the Audit Committee of the Board of Directors of the Company. As stipulated under Section 257 of the Companies Act, 1956 the Company has received a Notice of intention proposing Sri T N Manoharan as a Director of the Company together with the requisite deposit from a member of the Company. Profile of Sri T N Manoharan is given as a part of the requirements of Clause 49 under Sl.No.14 (c) forming part of the Notes to the Notice convening the 23rd Annual General Meeting of the Company.

Sri. T N Manoharan is proposed to be appointed as a Director of the Company liable to retire by rotation. None of the Directors other than Mr T N Manoharan may be deemed to be concerned or interested in the afore said resolution.

The Board recommends the resolution for your approval.

**BY ORDER OF THE BOARD
For NCC Limited.**

**M V SRINIVASA MURTHY
COMPANY SECRETARY & Sr.VP (Legal)**

**Place: Hyderabad
Date :May 22,2013**

NCC LIMITED.

Regd.Office: NCC House , Madhapur, Hyderabad – 500 081.

ATTENDANCE SLIP (To be presented at the entrance)

23rd ANNUAL GENERAL MEETING of the Company to be held on Friday, the 27th day of September, 2013, at 3:30pm at KLN Prasad Auditorium, Federation House, The Federation of Andhra Pradesh Chambers of Commerce and Industry, 11-6-841, Red Hills Hyderabad-500004, Andhra Pradesh.

Folio No	DP ID No.....	Client No:
Name of the Shareholder / Proxy :		
Signature of the Shareholder / Proxy :		
(only shareholders/proxies are allowed to attend the meeting)		

PROXY FORM

I / We _____ of _____ in the district of, _____ being a member/ members of **NCC Limited** hereby appoint _____ of _____ in the district of _____ or failing him/her, _____ of _____ in the district of _____ as my / our proxy to attend and vote for me/us on my / our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, the 27th day of September, 2013, at 3.30 p.m. at KLN Prasad Auditorium, FAPCCI , Redhills Hyderabad-500004 and at any adjournment thereof.

Folio No	DP ID No	Client A/c No :
No. of shares held		
Signed thisday of2013		<div style="border: 1px solid black; padding: 5px; width: fit-content;"> Affix ₹1/- Revenue Stamp </div>
		Signature across Revenue Stamp

Notes:

1.The Proxy form duly completed must be deposited with the Secretarial Department at the Registered Office of the Company at NCC House, Madhapur, Hyderabad-500081, not less than 48 hours before the time fixed for holding the meeting. Proxy need not be a Member.

2. Corporate members intending to attend the meeting through their authorised representative(s) are requested to send a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.



Towards emerging stronger

NCC LIMITED | ANNUAL REPORT 2012-13

Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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CORPORATE INFORMATION

Padma Shri Awardee
Dr. A V S Raju, Chairman Emeritus

Board of Directors

Sri P. Abraham, IAS (Retd.)
Director

Sri P. C. Laha
Director

Sri R. V. Shastri
Director

***Padma Shri Awardee**
T. N. Manoharan
Director

***Sri Anil P. Gupta**
Director

Sri Akhil Gupta
Nominee Director
M/s. Blackstone Group

Dr. Rakesh R. Jhunjhunwala
Director

Sri Amit Dixit
Alternate Director
to Sri Akhil Gupta

Sri Utpal Sheth
Alternate Director to
Dr. Rakesh R. Jhunjhunwala

* Appointed as Additional Director
w.e.f. 26-09-2012.

Sri N. R. Alluri
Director

Sri A. A. V. Ranga Raju
Managing Director

Sri A. G. K. Raju
Executive Director

Sri A. S. N. Raju
Wholetime Director

Sri J. V. Ranga Raju
Wholetime Director

Sri A. V. N. Raju
Wholetime Director

Sri A. K. H. S. Rama Raju
Wholetime Director

Chief Financial Officer

Sri R. S. Raju

Sr. Vice President (F&A)

**Company Secretary
& Sr. Vice President (Legal)**
Sri M. V. Srinivasa Murthy

Joint Statutory Auditors

1) M/s. M. Bhaskara Rao & Co

Chartered Accountants,
6-3-652 5-D, 5th Floor, 'KAUTILYA',
Amrutha Estates, Somajiguda,
Hyderabad - 500 082

2) M/s. Deloitte Haskins & Sells

Chartered Accountants
1-8-384 & 385, 3rd Floor Gowra Grand,
Sardar Patel Road, Secunderabad - 500 003

Bankers

State Bank of India
Canara Bank
Andhra Bank
State Bank of Hyderabad
Syndicate Bank
Indian Overseas Bank
Allahabad Bank
ICICI Bank
Standard Chartered Bank
IDBI Bank Ltd

Registered office

NCC House
Madhapur
Hyderabad – 500 081
Tel: +91 40 23268888
Fax: +91 40 23125555
www.ncclimited.com
E-mail: info@nccltd.com

Registrars and Share Transfer Agents

M/s Karvy Computershare Pvt. Ltd.
Plot No. 17-24, Vittal Rao Nagar
Madhapur, Hyderabad – 500 081
Phone: 040 – 23420815 - 28
Fax: 040 – 23420814
E-mail: einward.ris@karvy.com

23rd Annual General Meeting

on Friday the 27th September, 2013,
at 3.30 p.m. at K L N Prasad Auditorium
The Federation of Andhra Pradesh
Chambers of Commerce and Industry
Federation House, FAPCCI Marg,
11-6-841, Red Hills,
Hyderabad - 500 004



The revival of India's infrastructure is core to its economic resurgence. With this in mind, the Indian Government has earmarked USD 1 trillion of infrastructure investments for the Twelfth Plan.

At NCC Limited, we are investing in our capabilities with the objective to capitalise on the projected growth and strengthen our sustainability across market cycles.

Our profile

PHILOSOPHY

Vision

To be a world class construction and infrastructure enterprise committed to quality, timely completion, customer satisfaction, continuous learning and enhancement of stakeholders' value

Mission

- To build a strong future ensuring increased returns to shareholders and enhanced support to associates
- To adopt latest technologies in the field of engineering, construction, operation and maintenance of infrastructure projects
- To encourage innovation, professional integrity, upgradation of knowledge and skills of employees and a safe working environment
- To be a responsible corporate citizen committed to the social cause

Values

Openness and trust | Integrity and reliability | Team work and collaboration | Commitment | Creativity

Quality policy

NCC strives to achieve enhanced customer satisfaction by delivering the quality products through timely completion with safe working environment. We dedicate ourselves to continual improvement in all fields of our business

Quality objectives

- To consistently deliver quality products by adhering to set specifications, contractual, regulatory and statutory requirements
- To achieve enhanced customer satisfaction through cost effective and timely completion
- To motivate and train the staff for continual improvement of quality standards
- To update and implement procedures complying with international standards

Identity

- Robust track record of over three decades in asset and nation building
- Diversified business portfolio across all major sectors of the construction industry
- Experienced and dedicated management team backed by a skilled workforce

Presence

- Headquartered in Hyderabad, Andhra Pradesh
- Extensive regional presence through offices in Delhi, Ahmedabad, Bhubaneswar, Kolkata, Mumbai, Bhopal, Lucknow, Chennai, Bengaluru and Kochi
- International footprint through offices in Dubai (United Arab Emirates) and Muscat (Sultanate of Oman)

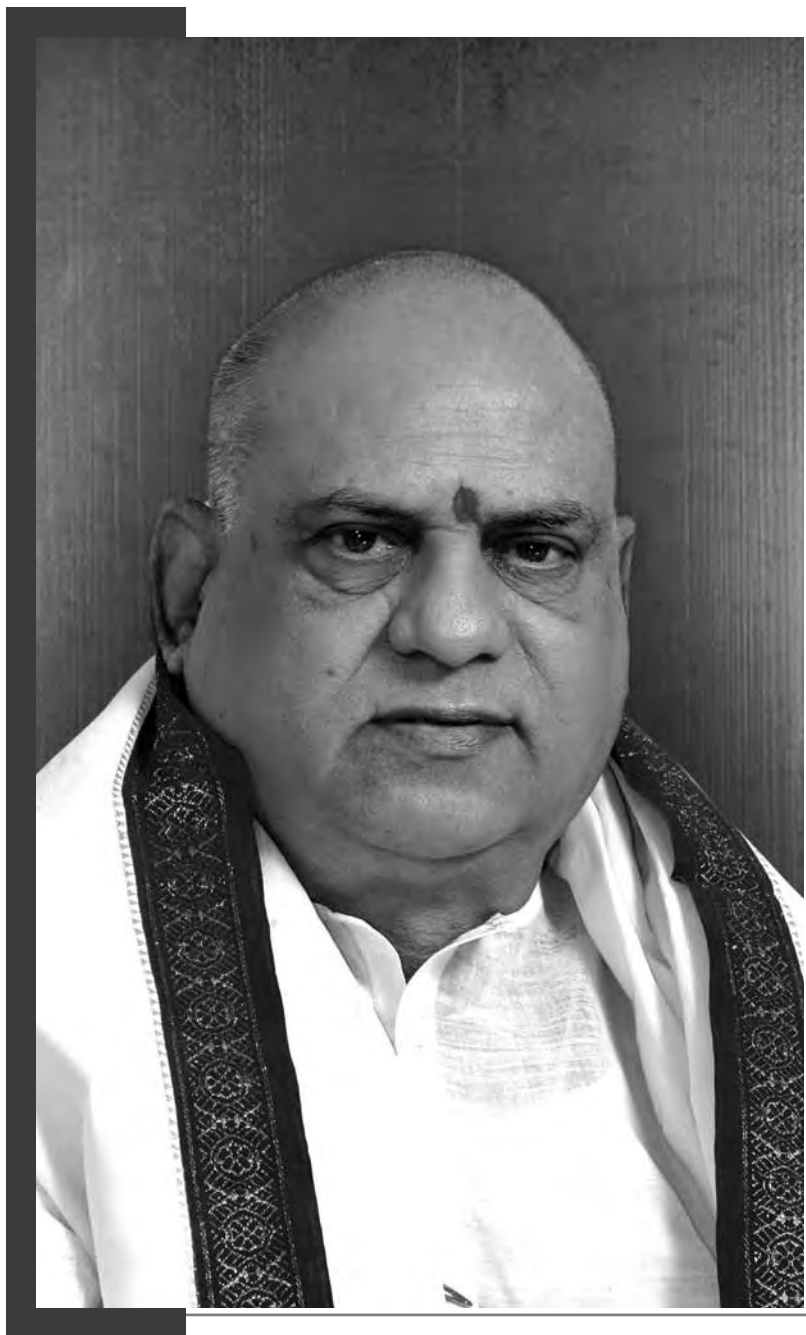
Listing

- The Company's stocks are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited
- Listing of the Company's GDRs on Luxembourg Stock Exchange

Customers

- National Highways Authority of India (NHAI)
- State Public Works Departments (across various Indian states)
- Karnataka Road Development Corporation
- Irrigation and CAD departments (various states of India)
- Hyderabad Metropolitan Water Supply and Sewerage Board
- Gujarat Water Supply and Sewerage Board
- Chennai Metropolitan Water Supply and Sewerage Board
- State Electricity Board (across various states in India)
- Maharashtra Airport Development Company, Mumbai
- Government of West Bengal, PHE Office, Kolkata
- Sports Authority of Andhra Pradesh
- Bennett, Coleman and Company Limited
- Patni Computers
- Sriram Properties Private Limited
- Muscat Municipality, Sultanate of Oman
- Steel Authority of India Limited
- Tamil Nadu Generation and Distribution Corporation Ltd.
- Rail Vikas Nigam Ltd.
- Mahanadi Coalfields Ltd.
- Bharat Dynamics Ltd.
- Power Grid Corporation of India Ltd.
- Sardar Sarovar Narmada Nigam Ltd.
- National Institute of Technology
- Indian Oil Corporation Ltd.
- Hindustan Steel Works Construction Ltd.
- Ansal Properties and Infrastructure Ltd.
- POSCO Engineering and Construction India (P) Ltd.
- National Mineral Development Corporation Ltd.
- Ministry of Defence- Army
- The Singareni Collieries Company Ltd.
- Engineers India Ltd, New Delhi

From the desk of Chairman Emeritus



“India needs the right ecosystem to achieve the ₹60 lakh cr of infra investment target earmarked for the Twelfth Plan.”

Dr. A.V.S. Raju
Chairman Emeritus

we have strengthened our capabilities
with the objective to achieve

10-15%

evenue growth in our topline for 2013-14
and enhance sustainable value.

Dear Shareholders

THE INFRASTRUCTURE SECTOR HAS AN IMPORTANT ROLE TO PLAY IN COUNTERING THE GLOBAL ECONOMIC SLOWDOWN. THIS IS ESPECIALLY TRUE IN INDIA WHERE THE INFRASTRUCTURE SECTOR ACCOUNTS FOR 26% OF THE COUNTRY'S INDUSTRIAL OUTPUT.

Infrastructure investment represents a unique win-win proposition, creating jobs in the short-term and enhancing economic productivity in the long run. It has been estimated that an increase in infrastructure investment equivalent to 1% of GDP can translate into an additional 3.4 million direct and indirect jobs in India (source: McKinsey Global Institute).

In addition to supporting growth and job creation, infrastructure investment can lead to improved health, education and social outcomes. For instance, upgrading water and sanitation systems in a slum in Ahmedabad reduced health insurance claims by more than 50%; in Assam, a one percentage point increase in electrification resulted in a 0.17 percentage point improvement in literacy rate.

The key takeaways of what we achieved during the Eleventh Plan and what we expect to achieve in the future comprise the following:

Eleventh Plan target met 93% success: Despite systemic shocks in the Eleventh Plan, the infrastructure target of ₹20.56

lakh cr (USD 514 billion) for 2007-08 to 2011-12 were achieved at an admirable 93% and now there is a corporate priority to use this momentum to our advantage.

Gross capital formation (GCF): The gross capital formation in infrastructure as a percentage of the GDP was targeted at 7.6% for the Eleventh Plan period but India achieved only 7.2% even as a country like China achieved 11-12% half a decade ago. The expectation for the Twelfth Plan has been pegged at 8.3% and, if achieved, will widen construction opportunities from power plants to water distribution networks to railway lines to airports and ports.

Public-private partnerships (PPP): The participation of private capital was negligible in the mid-90s. Following the growth of the telecom and power sectors, PPP hit 22%; the target was revised to 30% during the Eleventh Plan but the country achieved 37%. The target now is 48%, (almost half the nation's infrastructure spending) to be built by private capital in the Twelfth Plan, strengthening execution schedules

and accountability.

Emerging sector focus: Two sunrise sectors gained traction in the Twelfth Plan – mass rapid transit systems and renewable energy – and they constitute 8% of the Twelfth Plan target.

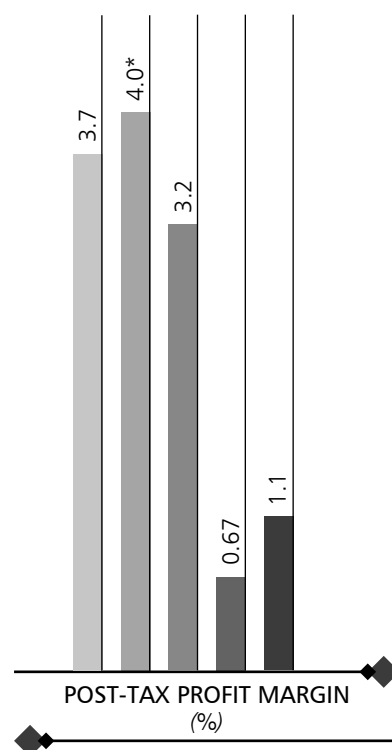
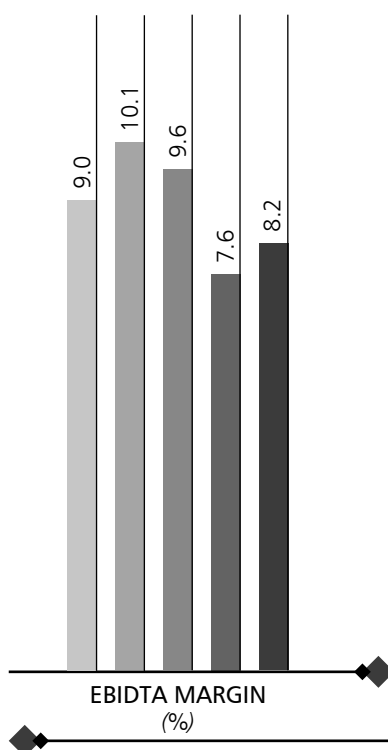
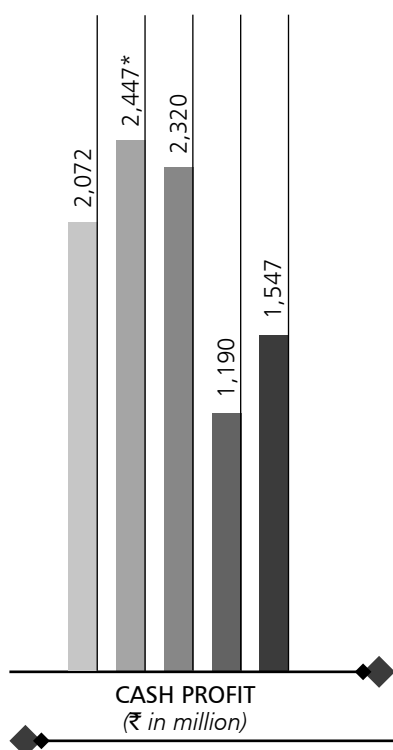
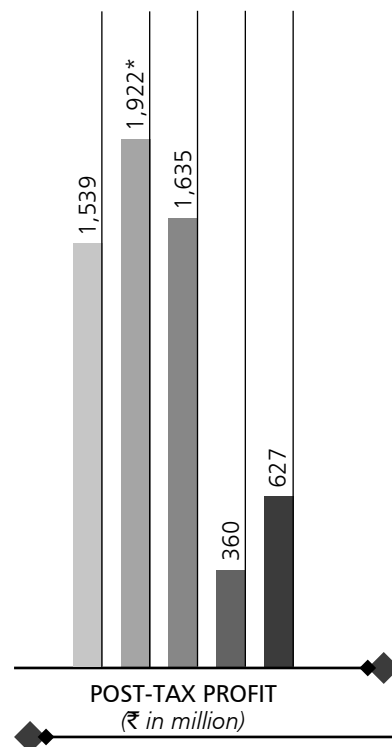
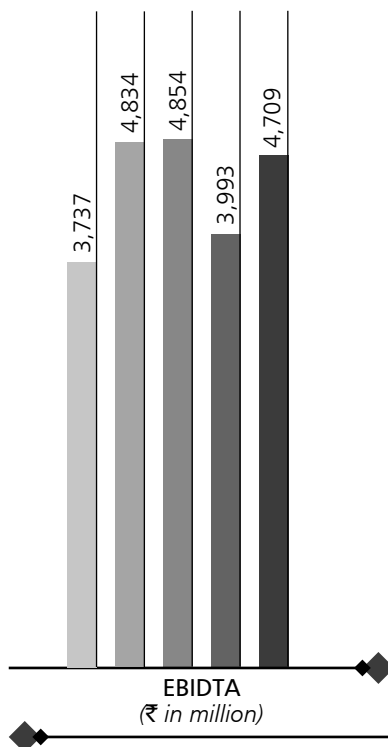
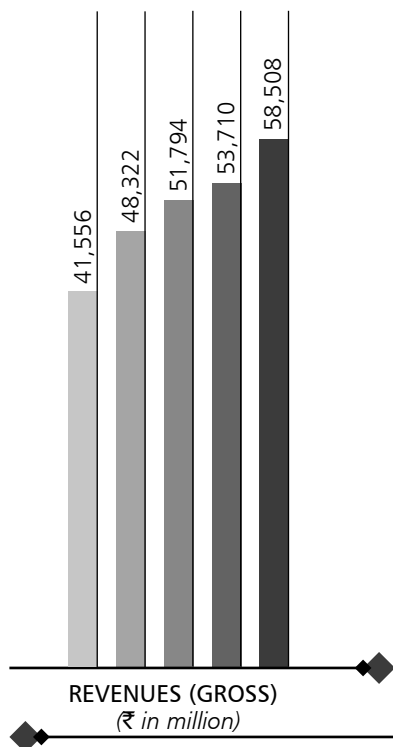
Overall, the Twelfth Plan envisages a ₹ 60 lakh cr infrastructure outlay at current prices (at 2006-07 prices, a 137% increase over the Eleventh Plan achievement, which was itself a 108% jump over the Tenth Plan). Finally, all these need to take place within the ambit of an enabling socio-economic-political framework covering the availability of land, coal and environment clearances, independence of regulatory authorities and long-term finance availability

At NCC, we have strengthened our capabilities with the objective to achieve 10-15% revenue growth in our topline for 2013-14 and enhance sustainable value.

My very best regards,

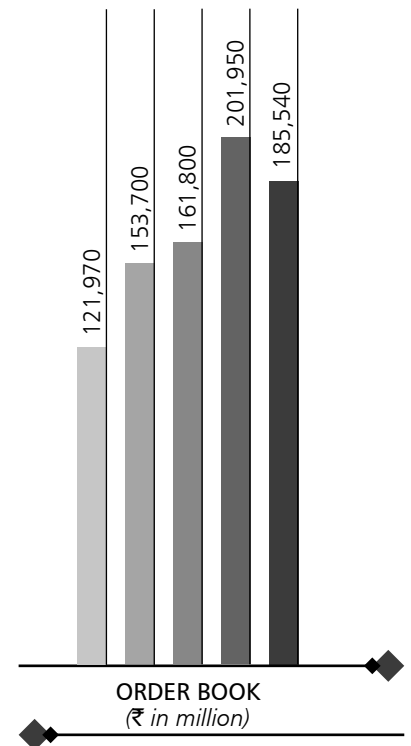
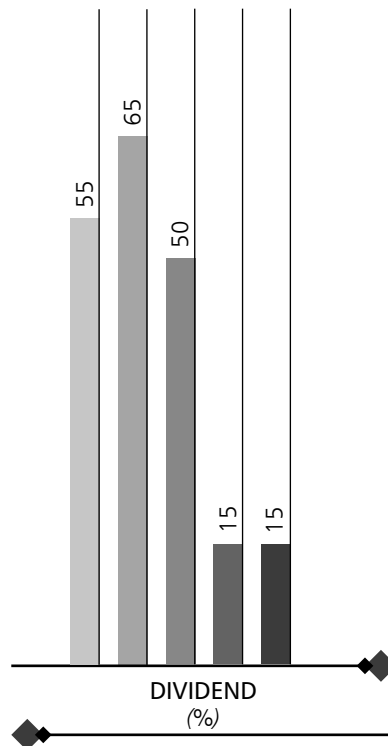
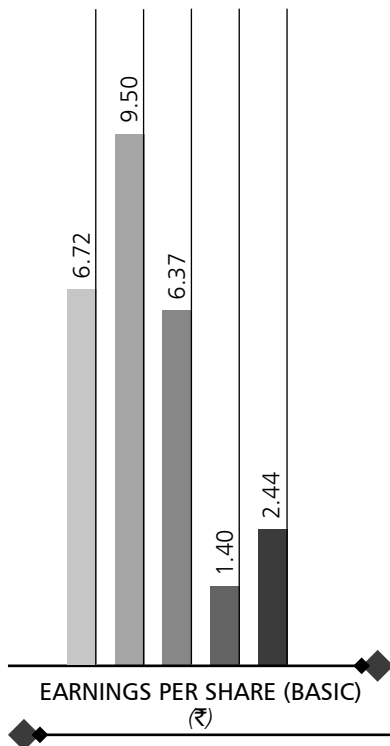
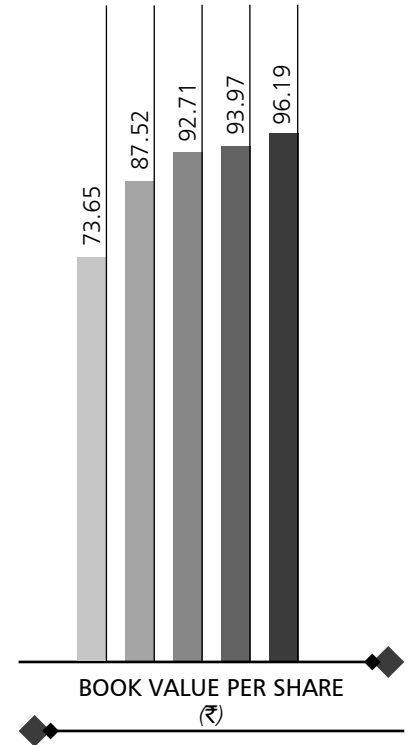
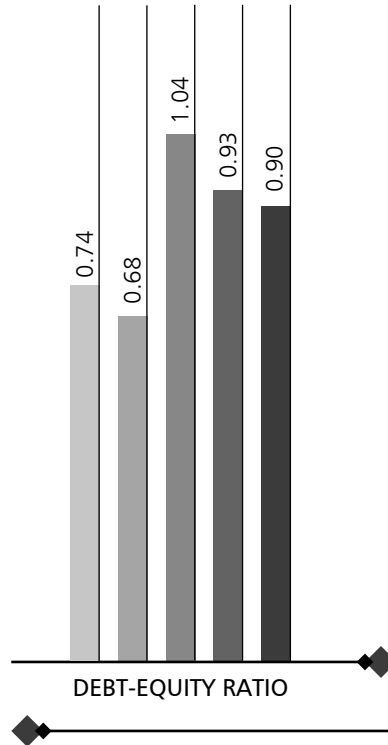
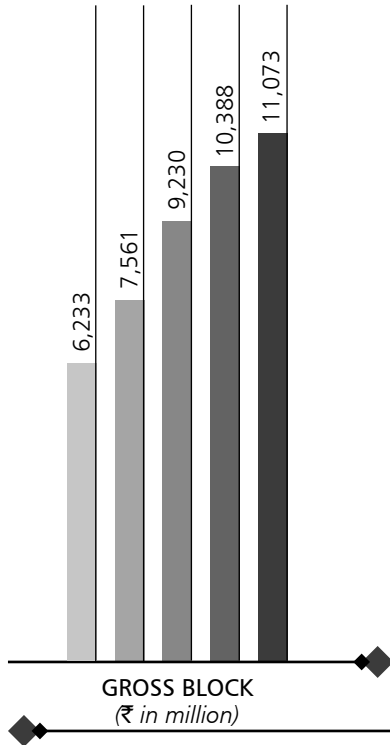
Dr. A.V.S. Raju
Chairman Emeritus

ON THE PATH OF EMERGING STRONGER



* Excluding gain on sale of investment

2008-09 2009-10 2010-11 2011-12 2012-13



Discussion with the Managing Director



“Despite a near standstill, we were able to bag fresh orders worth ₹4,814 cr during 2012-13, validating the strength and relevance of our business model across all market cycles.”

A.A.V. Ranga Raju
Managing Director

On the positives of 2012-13...

There were three positives in our 2012-13 working. It comprised our ability to bid for and bag projects in a stagnant market, which translated into fresh orders of ₹ 4,814 cr. Our focus on timely project execution amounted to a 9% growth in turnover to ₹ 5,851 cr. Our receivables management focus resulted in a decline in our working capital cycle from 147 days to 110 days of turnover equivalent, a good achievement in a capital-intensive business.

On the first point of the status of our order book...

Our order book at the close of the financial year stood at ₹ 18,554 cr with a large percentage of the project accretion happening across the Buildings, Water and Electrical Divisions. As a prudent measure, we reversed an order worth ₹ 853 cr during the year under review on account of the fact that it was sitting on our books for long with no project traction. Our year-end order book now reflects only fast-moving orders, representing a fair and transparent conversion possibility into our topline over the next two years.

On the second point of swift project schedule completion...

In the past two years, our focus has been on strengthening our business model and ensuring our relevance across market cycles. We fine-tuned processes, optimized cost structures and re-skilled manpower. The result is that there is a cost reduction in establishment expenses, improvement in project execution and collections, helped us to report 9% increase in topline in the current year under the present challenging environment.

On the third point of reducing our capital intensity...

We formed special collection teams with

the result that our debtors' cycle has moderated from 89 days to 73 days and working capital cycle from 147 days to 110 days in 2012-13 which facilitated to keep the debt under control without further increase. We also engaged in strategic sale of BOT and other assets which improved our cash flows. We managed to keep debt cost under control despite hardening interest rates because of RBI Policy.

On sustaining shareholder value...

We declared a dividend of 15% (₹ 0.30 per share) for 2012-13, which must be viewed in light of a challenging infrastructure sector. We are reinforcing our business model to capitalise on the sectoral resurgence with USD 1 trillion worth of investments lined up during the Twelfth Plan. This will help us grow the value of our business and generate better earnings.

On the 2013-14 outlook...

We expect to engage in the strategic divestment of BOT assets and other collateral (including land parcels). The resultant cash generation will be used for debt reduction and strengthening our Balance Sheet. We also expect to report a 10-15% order book growth and coupled with robust execution, expect to report 10-15% growth in our topline for 2013-14.

Directors' Report

To the Members,

Your Directors take pleasure in presenting the 23rd Annual Report together with the Audited Statement of Accounts for the Financial Year ended March 31, 2013,

Financial results (on standalone basis)

	₹ in millions	
	2012-13	2011-12
Turnover	57249.18	52504.70
Profit before interest, depreciation and tax	5967.82	5199.00
Less: Interest and financial charges	4070.38	3839.99
Profit before depreciation and tax	1897.44	1359.01
Less: Depreciation	920.22	829.83
Profit before tax	977.22	529.18
Provision for tax	350.56	169.36
Profit after tax	626.66	359.82
Profit brought forward	2749.56	2719.20
Transferred from Debenture Redemption Reserve	265.00	–
Profit available for appropriation	3641.22	3079.02
Appropriations		
Proposed Dividend at ₹0.30 per share (15%)	76.97	76.97
Dividend tax on Proposed dividend	13.08	12.49
Transfer to General Reserve	150.00	50.00
Transfer to Debenture Redemption Reserve	–	190.00
Balance carried forward	3401.17	2749.56
Paid up Capital	513.17	513.17
Reserves and Surplus	24167.17	23597.45

Operational performance

A. Standalone

We are glad to report that your Company posted a turnover of ₹57249.18 million for the year ended 31st March, 2013 as against ₹52504.70 million in 2011-12. Gross Profit increased from ₹5199 million in 2011-2012 to ₹5968 million in 2012-13. After deducting interest of ₹4070.38 million, providing a sum of ₹920.22 million towards depreciation and income tax provision of ₹350.56 million, the operations resulted in a net profit of ₹626.66 million as against ₹359.82 million in 2011 - 12.

B. Consolidated

During the year under review, your Company achieved a consolidated turnover of ₹69683.62 million as against ₹66651.57 million in the previous fiscal. Your Company has earned a consolidated gross profit of ₹9136.36 million before interest and depreciation as against ₹9993.39 million in the previous year. After deducting interest of ₹5950.85 million, providing for depreciation of ₹2284.08 million

and provision for tax of ₹381.28 million, the operations resulted in a net profit of ₹520.15 million as against ₹680.13 million in the previous year.

During the year the Company, on consolidated basis, bagged new orders valued around ₹4815 crores and executed projects worth ₹6455 crores. The order book position as on March 31, 2013 stood at ₹18554 crores.

Proposed Dividend

Your Directors take pleasure in recommending equity dividend of ₹0.30/- per share of ₹2 face value (15%) on the paid-up equity share capital for the approval of the members for the financial year 2012-13. The dividend, if approved, at the 23rd Annual General Meeting by the members, will be paid to all those equity shareholders whose names appear in the Register of Members as on 21st September, 2013 and also to the members, whose names, as beneficial owners, are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited.

Directors' responsibility statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm as under:

- in the preparation of the annual accounts for the year ended March 31, 2013 the applicable accounting standards have been followed along with proper explanations relating to material departures;
- we have adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit for the year ended on that date;
- we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

■ the accounts for the year ended March 31, 2013 have been prepared on a going concern basis.

Disclosures :

Deposits

During the year, the Company has not accepted any public deposits.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

A. Conservation of energy

The Company's core activity is civil construction which is not power intensive. The Company is making every effort to conserve the usage of power.

B. R&D and technology absorption:

Not applicable

C. Foreign exchange earnings and outgo

Foreign exchange earnings - Nil

Foreign exchange outgo

a. Towards travel – ₹5.82 million

b. Towards import of capital goods & Material Supplies – ₹280.94 million

c. Others ₹9.44 million

Particulars of Employees

Details in respect of remuneration paid to employees as required under Section

217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees') Rules, 1975, as amended forms part of this report. However, in pursuance of the provisions of Section 219(1) (b) (iv) of the Companies Act, 1956, this Report is being sent to all the members of the Company excluding the aforesaid information, The members interested in obtaining such details may please write to the Company Secretary at the registered office of the Company.

Directors

Sri P. Abraham and Sri A V N Raju Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. Dr. Rakesh R Jhunjunwala who is liable to retire by rotation and eligible for re-appointment expressed his intention not to seek re-appointment at the forthcoming AGM due to preoccupation. The Board of Directors records its sincere appreciation and recognition of the valuable contribution and services rendered by Dr. Rakesh R Jhunjunwala during his long association with the Company.

Padma Shri Awardee T.N. Manoharan and Sri Anil P Gupta, were appointed as Additional Directors on 26.09.2012 and subject to the approval of the members at the ensuing Annual General Meeting their appointments are being regularised.

Brief profiles of the proposed appointees together with other disclosures in terms of Clause 49 of the Listing Agreement are part of the Annexure to the Notice of the 23rd Annual General Meeting.

Sri S Venkatachalam, Independent Director who was associated with the Company since 1991 passed away on 9th September, 2012 after a brief illness. Sri A J Jaganathan, Independent Director had resigned from the Board effective 31st May, 2012 due to pre-occupation with other activities. Your Board places on record the valuable services rendered by Late Sri S Venkatachalam and Sri A J Jaganathan, Directors during their association with the Company.

Joint Statutory Auditors and their report

The Joint Statutory Auditors of the Company viz., M/s. M Bhaskara Rao & Co., Chartered Accountants, and M/s. Deloitte Haskins and Sells, Chartered Accountants retire at the conclusion of the 23rd Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Joint Statutory Auditors, if reappointed. Your Board of Directors have recommended their reappointment based on the recommendation of the Audit Committee to the members for their approval at the forthcoming Annual General Meeting of the Company, to hold office from the

conclusion of the 23rd Annual General Meeting up to the conclusion of the 24th Annual General Meeting.

The Independent Auditors' Report to the Members of the Company on the Financial Statements for the Financial Year ended March 31, 2013 does not contain any qualification(s) or adverse observations.

Subsidiary Companies

The Company has 47 (forty seven) subsidiaries (including step down subsidiaries) as on March 31, 2013. There was no material change in the nature of the business of the subsidiaries. A statement pursuant to Section 212 of the Companies Act, 1956, containing the details of the subsidiaries of the Company, is appended to this Report.

The brief profiles of the major subsidiaries of the Company which are into infrastructure development, real estate & urban infrastructure development, power and the international subsidiaries are detailed here in below.

NCC Infrastructure Holdings Limited (NCC Infra)

NCC Infra is an infrastructure development company promoted by your Company as a wholly owned subsidiary for undertaking investments in infrastructure projects and also for development of Infrastructure Projects

independently and through Government concessions, largely focusing on long term infrastructure projects with stable revenue streams. NCC Infra has made investments in the Energy and Transportation sectors. Currently NCC Infra has five road projects, one Hydro Power Project and one Thermal Power project under its fold. The execution of all the five road projects were completed and the commercial operations have commenced.

NCC Urban Infrastructure Limited (NCC Urban)

NCC Urban is a Subsidiary of your Company primarily focusing on Urban Infrastructure Projects such as development of Residential & Commercial complexes, SEZs, Integrated Townships. The Company has been certified for: ISO 9001 : 2000, ISO 14001 : 2004 & OHSAS 18001 : 1999. NCC Urban has developed / is developing various real estate projects in Hyderabad, Bangalore, Chennai, Ranchi, Kochi, Guntur, etc., NCC Urban has reported a turnover of ₹2135.70 million and earned a Net Profit of ₹35.28 million for the year ended 31st March, 2013.

International Presence

Your Company has been operating in the GCC area through its subsidiaries in the Sultanate of Oman and UAE. The international business is carried

on through two flagship entities viz., Nagarjuna Construction Company International LLC in Muscat and Nagarjuna Contracting Company LLC., in Dubai. During the last five years the International Subsidiaries have garnered major construction contracts in the Transportation, Water Pipelines and Buildings sectors aggregating over ₹6,000 crores.

The major projects executed / being executed by the above subsidiaries/ branches of your Company include DEWA Water Pipeline Projects in Dubai, Al Salmat Villas at Al Ain, Abu Dhabi, Al Amerat Quriyat Road, Wadi Adai Amerat Road, Batina Coastal Road, Quriyat Villa, Desalination, Saraya Bandar Projects in Oman and Qatar Petroleum Project in Doha, Qatar.

Subsidiary Financials

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Annual Accounts of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts

of the subsidiary companies will be kept open for inspection by any member at the Registered office of the Company and that of the respective subsidiary companies.

Consolidated financial statements

In compliance with Clause 32 of the Listing Agreement entered into with the Stock Exchanges and in compliance with the Accounting Standards AS-21 and AS-27 on consolidated financial statements, read with the Accounting Standard AS-23 on Accounting for Investments in Associates, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2013, which form a part of this Annual Report.

A separate report on Management Discussion and Analysis pursuant to the Clause 49 of the Listing Agreement forms part of this Annual Report.

Secretarial Audit Report

As a measure of good corporate

governance practice, the Company has appointed M/s. BS & Co Practising Company Secretaries to conduct Secretarial Audit of the records and documents of the Company. The Secretarial Audit Report for the Financial Year ended 31st March, 2013 forms part of this Annual Report.

Corporate Governance

In pursuance of Clause 49 of the Listing Agreement entered into with the stock exchanges, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the shareholders. A certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance as stipulated under the said Clause 49 also forms a part of this Annual Report.

Corporate Social Responsibility

You will be glad to note that your Company has established a public charitable trust, "NCC Foundation" as

part of its Corporate Social Responsibility. The main Object of the said Trust include creating, maintaining and extending need based and area specific services to the poor and needy mainly in the areas of health care, education, etc. During the year under review NCC Foundation has completed construction of 36 houses at Antervedipalem, East Godavari District, Andhra Pradesh and the same are being handed over to the poor and the needy. During the year the Company has also contributed some amounts towards donations to Charitable Institutions.

Acknowledgements

Your Directors place on record their sincere appreciation and thanks for the valuable cooperation and support received from the employees of the Company at all levels, Company's Bankers, Financial Institutions, Central and State Government Authorities, Associates, JV partners, clients, consultants, suppliers, and Members of the Company and look forward for the same in equal measure in the coming years.

For and on behalf of the Board

Place: Hyderabad
Date: 22nd May, 2013

P. Abraham
Director

A. A. V. Ranga Raju
Managing Director

Management Discussion & Analysis

Economy

Indian economy grew at 5% in FY2012-13, its lowest rate in a decade and in line with an official estimate, as per the government data.

Economic growth slowed down to 4.8% in January-March quarter of 2012-13 compared to 5.1% in the same period previous fiscal.

The manufacturing sector grew at an annual 2.6% during the quarter while farm output rose just 1.4%.

Construction sector expanded by 4.4% in Q4 of 2012-13, as against 5.1% in the year-ago period. The segment grew by 4.3% in 2012-13 as against 5.6% in the previous fiscal.

Mining and quarrying sector contracted by 3.1% during the fourth quarter of last fiscal, as against growth of 5.2% in output in the same period of 2011-12. The contraction in mining sector remained unchanged at 0.6% in 2012-13 over the previous fiscal.

The growth rate of electricity, gas and water supply also slowed to 2.8% in the fourth quarter from 3.5% witnessed in the same quarter of 2011-12. The segment grew by 4.2% in 2012-13 compared to 6.5% in previous fiscal.

The agriculture sector also grew at a slower rate of just 1.9% in 2012-13 compared to 3.6% in 2011-12.

Gross Domestic Product (GDP) at factor cost at constant prices (2004-05) in the year 2012-13 is likely to attain a level of ₹ 55,03,476 crore. GDP at factor cost at current prices in the year 2012-13 is likely to attain a level of ₹ 94,61,979 crore, showing a growth rate of 13.3% over the First Revised Estimate of GDP for the year 2011-12 of ₹ 83,53,495 crore.

The per capita income at current prices during 2012-13 is estimated to be ₹ 68,747 as compared to ₹ 61,564 during 2011-12, showing a rise of 11.7% (*Source: GoI*).

Construction & Infrastructure

The Construction sector grew by 4.3% in 2012-13 as against 5.6% in the previous fiscal. The sector expanded by 4.4% in Q4 of 2012-13, as against 5.1% in the year-ago period.

The Twelfth Five Year Plan lays special emphasis on development of the infrastructure sector

including energy, as the availability of quality infrastructure is important not only for sustaining high growth but also ensuring that the growth is inclusive. The total investment in the infrastructure sector during the Twelfth Five Year Plan is estimated at approx. US\$1trillion, which will be nearly double the amount invested during the Eleventh Five Year Plan. This increased investment will only be possible because of enlarged private-sector participation. Unbundling of infrastructure projects, public private partnerships (PPP), and more transparent regulatory mechanisms will induce private investors to increase their exposure in infrastructure sectors. Private sector's share in infrastructure investment increased from 22% in the Tenth Five Year Plan to 38% in the Eleventh Plan and is expected to be about 48% during the Twelfth Five Year Plan. Yet, more than half of the resources required for infrastructure would need to come from the public sector.

Infrastructure projects take a long time to plan and implement. Delays in the execution of projects not only lead to shortfalls in achieving targets but widen the availability gaps. Time overruns in the implementation of projects continue to be one of the main reasons for underachievement in many infrastructure sectors.

The status report of major central-sector

projects costing ₹150 crore and above for the month of September 2012 shows that out of the 566 projects, five were ahead of schedule, 226 on schedule, and 258 had been delayed with respect to their latest scheduled date of completion. The remaining projects do not have fixed dates of commissioning.

Delays in land acquisition, environmental clearances, municipal permission, supply of materials, award of work, operational issues, etc. continued to drag down implementation of these projects. Sector-wise, in the coal sector 21 projects were delayed out of 51, in the petroleum sector 37 out of 71, in the power sector 45 out of 98, in the railways 40 out of 127, and in the road sector 86 out of the total 146 projects. The overall cost overrun amounted to 16.8% of the original cost and till September 2012 only 45.5% of the anticipated cost of the projects had been incurred.

The continuing elevated quantum of stalled projects and declining y-o-y growth rate of projects under implementation reflects poor execution of projects and is indicative of various execution concerns which have resulted in moderation of y-o-y revenue growth rates of construction companies. The on-ground performance of the sector has been lackluster and there has also been a marked deceleration in new project awards in the road sector (especially

by NHAI) and policy-related issues faced by the power sector continue. The government has recently setup a Cabinet Committee on Investments in order to fast-track approvals/clearances for big-ticket infrastructure projects but the ability of such a setup to actually expedite project execution remains to be ascertained.

In the current environment, execution challenges are expected to persist and the revenue growth rates of construction companies could continue to remain muted. Recognizing the need to kick-start investments the Union Budget 2013-14 proposed to renew the thrust on removing execution bottlenecks and guide decision making in respect of new proposals and stalled projects through Cabinet Committee on Investments.

(Source: ICRA Research)

A. INDUSTRY OVERVIEW

Roads

As of now about 24% of the total length of National Highways (NHs) is single lane/intermediate lane, about 51% is two-lane standard, and the balance 25% is four-lane standard or more.

National Highways Authority of India (NHAI) has managed to award only ~300 km of highways against an annual target of 6,500 km for FY13E (9500 km including EPC). What has hit the

highways sector hard is that most of the tenders which were floated did not receive even a single bidder. For example, some projects over the last 3 months did not witness any participation. Only in a handful of cases, two bidders queued up.

But backed by strong pipeline of projects under execution, the completion rate for NHAI projects increased to 7.9 km/day in FY13 from average of 6.2 km/day in FY12. However, progress on the projects awarded in FY12 remained muted mostly in the absence of requisite right of way, clearances, and inability to achieve financial closure.

To tackle the issues plaguing the road sector, setting up of a regulator for the road sector has been proposed to address issues such as construction risks and contract management. Companies engaged in road construction could benefit from the stated intent of awarding 3,000 km of projects in H1FY14, development of rural roads under Pradhan Mantri Gram Sadak Yojana, and assistance from World Bank and ADB for road construction in North Eastern states. Further, in addition to national highway projects some states like Maharashtra, Madhya Pradesh, Gujarat and Rajasthan are also focussing on developing of state highways which could provide additional opportunities to construction companies.

Building & Housing and Real Estate

The size in terms of Real Estate Development activity of the Indian Real Estate market is currently US\$ 40-45 Bn (5-6% of GDP). Out of this, residential segment forms the 90-95% of the market while the commercial segment is distant 4-5% and organized retail at 1% of the market. Over next 5 years, Indian Real Estate is expected to grow at a CAGR of 20%, driven by 18-19% growth in residential real estate, 55-60% in retail real estate and 20-22% in commercial real estate.

The real estate sector in India is recognized as an infrastructure service that is driving the economic growth of the country. In fact, Foreign Direct Investment (FDI) in the sector is expected to increase to US\$ 25 billion in the next 10 years from the present US\$ 4 billion.

The country's urban population will soar from 340 million in 2008 to 590 million by 2030. India's cities could generate 70% of the net new jobs created by 2030, produce more than 70% of country's gross GDP and stimulate a near fourfold increase in the per capita income. An investment of US\$ 1.2 trillion would be needed over next 20 years to keep pace with the growing urbanization.

Water & Environment

Rapid urbanization is having a

detrimental effect on our water resources – both in terms of quality (pollution of rivers and groundwater) and quantity (as conflicting / competing demands for water increase). Thus, even greater attention is now needed to collect and treat wastewater, and to manage finite water resources, both surface and ground water, more effectively.

The High Powered Expert Committee (HPEC) Report on Indian Urban Infrastructure and Services estimates (at 2009-10 prices), the per capita investment needed for capital infrastructure in the water, sewerage and storm-water sector at ₹ 13,329 and another ₹ 840 annually for operation and maintenance. The total investment needed during 2012-2013 according to this estimation is ₹ 7,54,627 crore for capital and ₹ 8,17,671 crore for O&M respectively. Thus, the water supply, sewerage and storm water drainage investments amount to about 24% of all urban sector requirements for capital and 41% for O&M respectively. In this situation, enhancing capital efficiency is clearly a priority to use funds efficiently and effectively to deliver maximum benefit from investment.

Outlays of ₹14615.91 crore and ₹1353.50 crore are proposed for the XII Plan and the annual Plan 2012-13 respectively for Water Supply & Sanitation sector

Irrigation

Almost 50% of the arable land in the country is still rain fed. The Government (Central and State) provide 50% capital subsidy for promoting the use of Micro Irrigation by farmers. While targeting an agriculture growth of 4% per annum, the government had also placed higher targets for farm credit and agriculture investments at 2% plus of the GDP for the XII plan period.

Out of the total 69 million hectares of cultivated area in India, only 5 million hectares is under drip and sprinkler irrigation. This represents strong potential for the growth of micro irrigation systems. Sprinkler irrigation system is expected to remain the largest segment accounting for about 47% revenue share in 2018 of the overall micro irrigation systems market. Drip irrigation system, due to its better efficiency, will be the fastest growing segment at a CAGR of 19.3% from 2012 to 2018

The Twelfth Five Year Plan proposes the setting up of a National Irrigation Management Fund (NIMF) to catalyse and support demand for irrigation management and institutional reform.

There has been a massive increase in plan expenditure on irrigation and flood control over the last 60 years. Major and Medium Irrigation (MMI) outlays rose from ₹ 376 crore in the First Plan to a

projected outlay of more than ₹ 1,65,000 crore in the Eleventh Plan, amounting to a total expenditure of around ₹ 3,51,000 crore over this period.

Power

During the Eleventh Five Year Plan, nearly 55,000 MW of new generation capacity was created, yet there continued to be an overall energy deficit of 8.7% and peak shortage of 9.0%. India's success in resolving energy bottlenecks therefore remains one of the key challenges in achieving the projected growth outcomes.

The Twelfth Plan has projected a total domestic energy production of 669.6 million tons of oil equivalent (MTOE) in 2016-17 and 844 MTOE in 2021-22. This will meet around 71% and 69% of expected energy consumption, with the balance to be met from imports, projected to be about 267.8 MTOE in 2016-17 and 375.6 MTOE in 2021-22

The capacity addition during the Twelfth Plan period is estimated at 88,537 MW comprising 26,182 MW in the central sector, 15,530 MW in the state sector, and 46,825 MW in the private sector respectively. The capacity addition target for the year 2012-13 was set at 17,956 MW. As against it, a capacity of 9,854 MW has been added till 31 December

2012

B. OPPORTUNITIES AND STRENGTHS

The company's business profile is spread across eleven divisions as under:

1. Buildings and Housing
2. Roads
3. Water and Environment
4. Electrical
5. Irrigation
6. Metals
7. Power
8. International
9. Mining
10. Oil & Gas
11. Railways

We have one of the most diversified business portfolios which helps us in mitigating the risk of slowdown in any one particular division. During the last 33 years, we executed various construction projects all over the country. The client list of the Company includes reputed organizations in public and private sectors. The Company has developed excellent engineering, planning and project execution skills during this period along with a pool of talented and skilled employees. With our continued emphasis on training and adopting new technology at the earliest our employees

are well equipped to take up challenging orders without much difficulty. We are well recognized for quality consciousness and timely completion of the projects without cost over-run. The track record of the Company and proven skills of its employees at various levels will be useful in further improving the performance of the Company in the years to come.

During the year under review, the company has bagged new orders valued at ₹ 48.1 billion and executed projects worth ₹ 64.5 billion. The order book of the company as on 31st March 2013 stood at ₹ 185.5 billion.

C. RISKS AND CONCERNS

Overview

NCC has put in place the Enterprise Risk Management (ERM) Process which is a holistic, integrated and structured approach to manage risks with the objective of maximizing shareholders' value. It aligns strategy, processes, people & culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organization while creating value.

NCC realizes the need to better understand, anticipate and mitigate business risks in order to minimize the frequency of occurrence of risks and impact thereof. The Company has put in a system in place which provides

relevant information for decision making to the appropriate people in a timely and effective manner.

Guiding Principles for NCC's Risk Management Framework

The ERM is based on the following key principles:

Shareholder value based: Risk management will be focused on sustaining the creation of shareholder value and protecting the same against erosion.

Embedded: Risk management will be embedded in existing business processes to facilitate management of risks across processes on an ongoing basis.

Supported and Assured: Risk management will provide support in establishing appropriate processes to ensure that current risks are being managed appropriately and assurance is provided to the relevant stakeholders over the effectiveness of these processes.

Reviewed: The effectiveness of the risk management program will be reviewed on a regular basis to ensure its relevancy in a dynamic and changing business environment.

Risk Management Process

The Risk Management process adopted by NCC comprises of the following steps:

1. Risk Identification with focus on Strategic, Operational, Financial and Compliance
2. Risk Prioritization to identify the key risks for the business
3. Nomination of Risk Champions who will own and monitor the risks on an ongoing basis
4. Development of robust Mitigation Plans and monitoring mechanism at the enterprise level by usage of computer software

During the year, the Board has reviewed the process and the Risks that have already been identified for the business.

D. INTERNAL CONTROL SYSTEM

The Company has effective and robust system of internal controls consistent with the nature of business and size of the operations to effectively provide for safety of its assets, reliability of financial transactions, adherence to applicable statutes, accounting policies, and approval procedures. These systems are reviewed and improved on a regular basis. The Audit Committee along with the management periodically reviews the findings and recommendations of the Internal Auditors and take necessary corrective actions as deemed necessary.

E. FINANCIAL PERFORMANCE

(NCCL Stand alone)

1) **Share capital:** During the year there is no change in share capital.

2) **Reserves and surplus:** The Reserves and surplus of the Company has gone up from ₹23.60 billion to ₹24.17 billion in 2012-13 and the entire increase is on account of profits made in 2012-13.

3) **Net worth:** The Company's net worth increased from ₹24.11 billion to ₹24.68 billion on account of internal generation of profits.

4) **Borrowings (Long-Term & Short-Term):** There was a decrease in loans from ₹22.34 billion to ₹22.25 billion.

5) **Assets :**

a) **Fixed assets:** The Company's fixed assets (gross block and Capital WIP) increased by ₹0.39 billion in 2012-13 from ₹10.74 billion to ₹11.13 billion. The net block including Capital WIP stands at ₹7.25 billion as of 31.03.2013 as against ₹7.61 billion in the previous year

b) **Investments:** The investments increased by ₹134.36 million, from ₹12401.90 million to ₹12536.26 million during the year 2012-13

c) **Inventories:** The Company's inventories stand at ₹14.26 billion as against ₹12.34 billion of previous year

d) **Trade Receivables:** The company's Trade Receivables decreased by ₹1.64 billion in 2012-13 from ₹13.07 billion to ₹11.43 billion.

e) **Loans and advances (Long-Term & Short-Term):** Loans and advances decreased from ₹25.24 billion to ₹24.33 billion during the year under review. The decrease represents the advances recovered from subsidiaries & Suppliers besides increase in advance taxes.

f) **Other Non-Current & Other Current Assets :** Other Non-Current & Other Current Assets increased from ₹9.09 billion to ₹10.67 billion during the year under review mainly due to increase in retention money.

F. OPERATIONAL PERFORMANCE

a) **Revenue from Operations:** There has been an increase in the Revenue from operations of the Company from ₹52.50 billion to ₹57.25 billion, registering a growth of 9.05% over the previous year.

b) **Other Income:** The other income of the company increased from ₹1.21 billion to ₹1.26 billion. Other income comprises of Interest on advances, interest on bank deposits and miscellaneous income.

c) **Direct cost:** The direct cost for the

year under review works out to 84.24% of the turnover as against 84.27 % last year.

d) **Overheads:** Overheads, comprising salaries and administrative expenses, work out to ₹4.31 billion for the year under review as against ₹4.27 billion in the previous year. The overheads as % of revenue have come down from 8.31% to 7.53%.

e) **Interest cost:** The Interest cost during the year as a % of revenue has come down from 7.31% to 7.11%. There is a slight increase in absolute terms in interest cost from ₹3.84 billion to ₹4.07 billion, which was on account of increase in average interest cost of borrowings.

f) **Depreciation:** The Company's depreciation for the year has increased from ₹829.83 million to ₹920.22 million.

g) **Provision for tax:** The Company has provided for a sum of ₹374.07 million as current tax as against ₹222.24 million in the previous year.

h) **Net profit:** The Company's operations during the year under review have resulted in a net profit of ₹626.66 million as against ₹359.82 million in the previous year.

i) **Dividend:** The Board of Directors have recommended a dividend of ₹0.30 per share (15%) and the total payout works out to ₹76.97 million as against ₹76.97

million in the previous year.

G. Human Resources & Industrial Relations

NCC draws its strength from a highly skilled and engaged workforce whose collective commitment has helped the organization to scale new heights. The total Human Capital base of the Company as of 31st March, 2013 stood at 4,621. The diverse Manpower of the Company is spread across 205 Project Sites across the country under various Business Verticals, Head office and Regional Offices.

During the FY 2012-13, we have added 484 employees across the Company, where in 35 are fresh Graduate Engineers recruited through Campus Recruitment Drive and remaining have been taken through lateral recruitment. More emphasis has been laid on recruiting people from local areas where Project sites are located in order to create employment opportunities in diverse geographical locations of the country.

Reinforcing our belief that "Employees are the key Assets of the Organization", we are very keen about the welfare and well-being of the employees working both at Project Sites and Administrative offices. In order to ensure that employees are provided with best possible facilities, we have prescribed site standardization norms to be scrupulously practiced at all

the sites.

Identifying the Training needs of employees & instilling necessary Technical, Functional and Behavioral skills among the staff members has evolved as the core priority of the company over the years. Training programs have been arranged at Project Sites, Regional Offices and Corporate Office to enrich the skills in employees and equip them with updated functional knowledge and effective ways of handling the assigned tasks without stress. Some of the training programs that have been imparted during the Year are Technical / Functional Competency Enhancement Programmes, Personal and Organizational Effectiveness Programmes, etc.

The company has obtained certifications for both Safety - OHSAS 18001, and Environment ISO 14001 underlining its commitment to employees' safe working conditions and social awareness. Most of the sites and administrative offices have celebrated the achievement of million safety days for the company as a whole, marking the efficient and secure functioning at the work places. Monthly safety awareness programs are organized at sites to identify vulnerable spots at the project location and to take preventive steps to thwart any untoward incidents.

The Company's operations during the year under review have resulted in a net profit of ₹626.66 million as against ₹359.82 million in the previous year.

Corporate Governance Report

In compliance with Clause 49 of the Listing Agreement entered into with the stock exchanges in India, the Company hereby submits the report on the matters as mentioned in the said Clause and practices followed by the Company.

1. Philosophy of the Company on the Code of Governance

The Company aims at maintaining, Transparency, Accountability and Equity in all facets of its operations on a continuous basis and in all interactions with the Stakeholders, including the Shareholders, employees, government, lenders and other constituents while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to sustain the high standards of Corporate Governance on a continuous basis by laying emphasis on Ethical Corporate Citizenship and establishment of transparent Corporate Cultures which aim at true Corporate Governance. The Corporate Governance process and systems have gradually strengthened over the years.

The Company believes, all its operations and actions must result in enhancing the overall shareholder value in terms of maximization of shareholder's benefits, among others, over a sustained period of time.

2. Board of Directors

As on March 31, 2013 the Company's Board of Directors comprised a judicious mix of Sixteen Directors consisting of Six Executive Directors, Five Non-Executive Directors (including two Alternate Directors) and Five Independent Directors as defined under the Listing Agreement entered with Stock Exchanges in India. The below table gives the composition of the Company's Board, category, number of Board Meetings held during the year, attendance of each Director at the Board Meeting and at the last Annual General Meeting and other Directorships and Memberships and Chairmanships of Committees held by each of the Director during the Financial Year.

Name of the Director	Category	Designation	No. of Board meetings held during the financial year	No. of Board Meetings attended	Other Directorships #	Committee Memberships ##	Chairmanship in Committees ##	Attendance of each Director at last AGM
Sri P. Abraham	Non-Executive and Independent Director	Director	5	3	11	4	Nil	Yes
Sri P. C. Laha	Non-Executive and Independent Director	Director	5	3	Nil	2	Nil	No
Sri R. V. Shastri	Non-Executive and Independent Director	Director	5	5	1	2	2	Yes
**Sri T. N. Manoharan	Non-Executive and Independent Director	Director	5	1	2	1	1	No
**Sri Anil P. Gupta	Non-Executive and Independent Director	Director	5	2	Nil	1	Nil	No
Dr. Rakesh R. Jhunjunwala	Non-Executive and Non-Independent Director	Director	5	1	5	Nil	Nil	No
Sri A. S. N. Raju	Promoter/ Executive Director	Wholetime Director	5	4	4	1	1	No
Sri N. R. Alluri	Promoter/ Non-Executive Director	Director	5	3	5	2	Nil	No
Sri J. V. Ranga Raju	Promoter/ Executive Director	Wholetime Director	5	Nil	1	Nil	Nil	No
Sri A. V. N. Raju	Promoter/ Executive Director	Wholetime Director	5	Nil	1	1	Nil	No
Sri A. G. K. Raju	Promoter/ Executive Director	Executive Director	5	5	4	4	1	Yes
Sri A. A. V. Ranga Raju	Promoter/ Executive Director	Managing Director	5	5	5	1	1	Yes
Sri Akhil Gupta\$	Non-Executive /Non Independent Director	Nominee Director\$	5	3	2	3	Nil	Yes
Sri Amit Dixit \$\$	Non-Executive /Non Independent Director	Alternate Director\$\$	5	2	7	4	Nil	No
Sri Utpal Sheth \$\$\$	Non-Executive /Non Independent Director	Alternate Director\$\$\$	5	4	9	1	Nil	No
Sri A. K. H. S. Rama Raju	Promoter/ Executive Director	Wholetime Director	5	Nil	Nil	Nil	Nil	No

** Sri Anil P Gupta and Sri T N Manoharan were appointed as Additional Directors w.e.f. 26th September, 2012.

\$Nominee of Blackstone Group

\$\$ Alternate Director to Sri Akhil Gupta

\$\$\$ Alternate Director to Dr. Rakesh R. Jhunjunwala

Directorships in other Public Companies (directorships other than NCC) as per the Companies Act, 1956.

Represents Membership/Chairmanship in Audit and Investors'/Shareholders' Grievance Committees of public limited companies (Including memberships in committees of Board of Directors of NCC Ltd).

During the FY-2012-13 the Company's Board met five times with the maximum time gap of four months between any two Board Meetings on May 29, 2012, August 9, 2012, September 26, 2012, November 8, 2012 and February 8, 2013. The Company convened one Board Meeting in each quarter as required under the Companies Act, 1956 and the Listing Agreement.

The Promoter Directors namely Sri A. A. V. Ranga Raju, Sri A. S. N. Raju, Sri A. G. K. Raju, Sri N. R. Alluri, Sri A. V. N. Raju, Sri J. V. Ranga Raju and Sri A. K. H. S. Rama Raju are related to each other in terms of the definition 'relative' under Section 6 read with Schedule IA of the Companies Act, 1956. Dr. A. V. S. Raju, Chairman Emeritus is the father of Sri A. A. V. Ranga Raju, Sri A. S. N. Raju, Sri A. G. K. Raju, Sri N. R. Alluri, Sri A. V. N. Raju and Sri A. K. H. S. Rama Raju and father in law of Sri J. V. Ranga Raju, The aforementioned Promoter Directors are not related to the other Board members.

Board Procedure

The Company plans and prepares the schedule of the Board and Committee Meetings for the year in advance by fixing the calendar of the meetings. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The meetings are generally held at the

Company's Registered Office NCC House, Madhapur, Hyderabad – 500 081

All divisions/departments of the Company are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion/ approval/decision at the Board/Board Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board/Committee meetings.

Notices convening the Board and Committee Meetings are sent to the Board of Directors by the Company Secretary in consultation with the Managing Director and the detailed agenda along with the notes being pre circulated to facilitate the Board of Directors better decision making.

The Board is given presentations covering business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the Quarterly/ Annual Financial Results of the Company.

The Company Secretary as a part of the Governance process disseminates the outcome of the Board with necessary approvals and permissions/ authorizations accorded to the Heads of the divisions/ Regions and Subsidiary Companies and there is a post meeting compliance mechanism by which the necessary follow-ups, review and reporting process for actions taken/ pending on the approval so accorded by the Board/ Committees and the same

will be part of the agenda of the Board/ Committee at its subsequent meeting.

Information supplied to the Board

As a policy measure, all the major decisions which involve new investments and capital expenditure, in addition to the matters which statutorily require Board approval, are put up for consideration of the Board, Inter-alia, the following information is regularly provided to the Board as part of the agenda papers well in advance of the Board meetings or is tabled at the Board Meeting.

- Annual operating plans, budgets & any updates
- Capital budgets and any updates
- Quarterly, half-yearly and annual results of the Company and its operating divisions and minutes/financial statements of the un-listed subsidiary companies
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Show cause, demand, prosecution notices and penalty notices which are materially important
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution matters
- Any material default in financial obligations to and by the Company, or substantial non-payment by clients
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on

the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company

■ Details of any joint venture/ collaboration agreement.

■ Non-compliance with any regulatory, statutory or listing requirement and shareholders service such as non-payment of dividend, delay in share transfer, among others.

Code of Conduct

The Board of Directors of the Company laid a Code of Conduct for Directors and senior management personnel. The Code of Conduct is posted on the Company's web-site www.ncclimited.com. All Directors and designated personnel in the senior management

affirmed compliance with the Code for the year under review. The declaration to this effect, signed by Sri A A V Ranga Raju, Managing Director is annexed to this report.

Board Committees

The Company has eight Board level Committees, namely the Audit Committee, the HR & Compensation Committee, the Shareholders'/Investors' Grievance Committee, the Executive Committee, the Allotment Committee, the Nomination Committee, the Project Monitoring Committee and the Corporate Governance Committee .

3. Audit Committee of the Board

The Audit Committee presently comprises Six Non-Executive Directors,

of which five are Independent Directors. The members of the Committee are financially literate and bring in expertise in the fields of Finance, Strategy, Banking, Energy and Management. Sri R. V. Shastri (Chairman of the Committee) has accounting and financial management expertise.

The Audit Committee met four times during the year on May 29, 2012, August 9, 2012, November 8, 2012 and February 8, 2013. The Company is in compliance with the requirements of Clause 49 in terms of time gap between any two Audit Committee Meetings. Sri R. V. Shastri, Chairman of the Committee, was present at the last Annual General Meeting of the Company held on September 26, 2012.

The Following is the Composition of the Audit Committee as on 31-03-2013 and details of attendance to the Meetings.

Name of the Director	Designation	No. of meetings held	No. of meetings attended
Sri R.V. Shastri	Chairman	4	4
Sri P. Abraham	Member	4	2
Sri T.N. Manoharan*	Member	4	1
Sri Anil P. Gupta*	Member	4	1
Sri Akhil Gupta	Member	4	2
Sri P. C. Laha	Member	4	3

* Co-opted as Members of the Committee w.e.f November 8, 2012

Terms of Reference:

The terms of reference as stipulated by the Board to the Audit Committee include

a. Oversight of the Company's financial reporting process and the disclosure of

its financial information.

b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.

c. Reviewing with the management,

the annual financial statements before submission to the Board, focusing primarily on-

■ Any changes in accounting policies and practices

■ Major accounting entries based on

exercise of judgment by management

- Qualifications in the draft audit report
- Significant adjustments arising out of audit
- The going concern assumption
- Compliance with accounting standards
- Compliance with stock exchange and legal requirements concerning financial statements
- Disclosure of any related party transactions

d. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems

e. Reviewing with the management, the quarterly financial statements before submission to the Board for approval

f. Discussion with internal auditors regarding any significant findings and follow up there on

g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal

control systems of a material nature and reporting the matter to the Board

h. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern

i. Carrying out any other function as mentioned in the terms of reference of the Audit Committee

The Company Secretary is the Secretary to the Audit Committee.

4. HR and Compensation Committee

The HR and Compensation Committee of the Board comprises of Three Non-Executive Directors, of which two are Independent Directors. Sri P. C. Laha an Independent Director acting as Chairman of the Committee and Sri P. Abraham, Independent Director and Sri Akhil Gupta Non-Executive and non-Independent Director are other members of the Committee. The Committee did not meet during this financial year.

The HR and Compensation Committee reviews the remuneration of the managerial personnel like Managing Director and Whole time Directors. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is to be in consonance with the existing industry practices. The Committee also considers and approves issues relating to manpower planning, attrition, training and review of appraisal norms in relation to the employees, among others.

Details of remuneration/sitting fee paid to the Directors for the year

The details of remuneration covering salary and other benefits paid for the year ended March 31, 2013 to the Managing Director, Executive Director and the Whole time Directors of the Company and the details of the sitting fee paid to the Non-Executive Directors are as follows-

(Amount in ₹)

Name of the Director	Salary (₹)	Other benefits (including perquisites, allowances) (₹)	Commission (₹)	Total (₹)
Sri A. A. V. Ranga Raju	9600000	11639957	10280000	31519957
Sri A. G. K. Raju	4800000	6174255	5140000	16114255
Sri A. S. N. Raju	4800000	6164322	5140000	16104322
Sri J. V. Ranga Raju	8400000	9828000	-	18228000
Sri A. V. N. Raju	4800000	5332354	5140000	15272354
Sri A. K. H. S. Rama Raju	4800000	4896000	-	9696000

Besides the above remuneration, the Managing Director, Executive Director and the Whole time Directors are also eligible for gratuity and encashment of leave at the end of their respective

tenures as per the rules of the Company. The Independent and Non-Executive Directors of the Company received sitting fee for attending the Board and

Committee Meetings at the rate of ₹10,000 per Board and Committee Meeting attended up to November 9, 2013 and there after ₹20,000 per Board and Committee Meeting attended

Name of the Director	*Sitting Fees Paid (Amount ₹)
Sri P. C. Laha	1,20,000
Sri P. Abraham	90,000
Sri R. V. Shastri	1,70,000
Sri Anil P. Gupta	50,000
Sri T. N. Manoharan	40,000
Sri Akhil Gupta / Sri Amit Dixit	1,20,000
Dr. Rakesh R Jhunjunwala	10,000
Sri Utpal Sheth	50,000
Late Sri S. Venkatachalam**	30000

* Excludes Service Tax

** Expired on 9th September 2012.

5. Shareholders'/Investors' Grievance Committee

The constitution of the Shareholders' / Investors' Grievance Committee of the Board as on March 31, 2013 comprises four Directors viz., Sri R. V. Shastri (Chairman of the Committee), Sri P. C. Laha, Sri Akhil Gupta and Sri A. G. K. Raju as its members.

The Committee primarily focuses on Shareholder grievances, inter-alia, redressal of Investor complaints,

attending Investor requests, approves the issue of duplicate Share Certificates and oversees and reviews all matters connected with servicing of investors. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall quality improvement of investor services. The Chairman of the Committee is an Independent Director and the Company Secretary is the Secretary of the Committee, Sri M.V. Srinivasa Murthy, Company Secretary and Sr. Vice-

President (Legal) was designated as the Compliance Officer.

The Committee met four times during the Financial Year i.e on May 29, 2012, August 9th, 2012, November 8th, 2012 and February 08th, 2013.

Attendance of Members at the Shareholders' / Investors' Grievance Committee Meetings held during the year are as follows.

Name of the Director	Designation	No. of meetings held	No. of Meetings attended
Sri R.V. Shastri	Chairman	4	4
Sri Akhil Gupta	Member	4	2
Sri P. C. Laha	Member	4	3
Sri A. G. K. Raju	Member	4	4

During Financial Year 2012-13, the Company has received 147 complaints from the shareholders/investors. All the complaints were promptly attended to and there were no un-resolved shareholder complaints were pending as on March 31, 2013. The Company has processed and approved all valid requests received for transfer and dematerialisation of Shares and there were no pending requests as on March 31, 2013. The Company designated a separate email id for investor grievances reachable at ho.secr@nccltd.in.

6. Corporate Governance Committee .

The Company constituted "Corporate

Governance Committee" to review and recommend the best practices of Board processes, disclosure practices, policies on the code of conduct and business ethics. The composition of the said committee as on March, 31 2013 consists of Sri Akhil Gupta (Chairman), Sri P Abraham, Sri A A V Ranga Raju and Sri A G K Raju. The Committee met on May 29, 2012 and all the members of the committee were present for the meeting.

7. Nomination Committee.

During year under review the Company constituted Board Level Committee called "Nomination Committee" to review and recommend the

appointment of Independent Directors on the Board of the Company. The Composition of the said Committee as on March 31st, 2013 consists of Sri P Abraham, Director acting as Chairman and Sri Akhil Gupta, Sri A A V Ranga Raju, Dr. Rakesh R Jhunjunwala and Sri. R.V. Shastri Directors are other members of the committee. The Committee met on September 26th, 2012 and all the members of the committee except Dr. Rakesh R Jhunjunwala were present for the meeting.

Shares held by Non-Executive Directors as on March 31, 2013

Name of the Director	No. of Shares held	% on paid-up capital of the company
Dr. Rakesh R Jhunjunwala	50,00,000	1.95
Sri N R Alluri	40,88,680	1.59

8. Initiatives on prevention of insider trading practices

In compliance with the SEBI regulations on prevention of insider trading, the Company framed a comprehensive Code of Conduct for its Directors and designated employees. The Code lays down guidelines, which mandates the Directors and the designated employees on the procedures to be followed and disclosures to be made while dealing with shares of the Company and cautions them on consequences of violations. Detailed code for prohibition of Insider Trading is available at Company's website: www.ncclimited.com.

9. Subsidiary Companies

All the subsidiary companies of the Company are Board managed with their respective Board having the rights and obligations to manage such companies in the best interest of their stakeholders. There are no material non-listed Indian subsidiary companies under the Company to nominate its Directors on such subsidiaries.

As a majority shareholder, the Company has its representatives on the Boards of the subsidiary companies and monitors the performance of such companies, inter-alia, by the following means

- Financial statements and particulars of investments made by the unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company
- Minutes of the meetings of the unlisted subsidiary companies are placed before the Company's Board regularly
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

10. General Body Meetings

I. The below detailed Special Resolutions were passed by show of hands with requisite majority in the Annual General Meetings held during the last three years.

Year	Type of Meeting	Location	Date	Time	Special Resolutions passed
2009-10	AGM	Bharatiya Vidya Bhavan, 5-9-1105, Basheerbagh, Kingkoti, Hyderabad-500029	August 10, 2010	3.00 p.m	■ No special resolution was passed
2010-11	AGM	Bharatiya Vidya Bhavan, 5-9-1105, Basheerbagh, Kingkoti, Hyderabad-500029	August 12, 2011	3.30 p.m	■ Reappointment of Sri A V N Raju as Whole time Director. ■ Commencement of Business covered under the "Other Objects" clause
2011-12	AGM	K L N Prasad, Auditorium, Federation House, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI Marg, Red Hills, Hyderabad-500004	September 26, 2012	3.30 p.m	■ Appointment of Sri AKHS Rama Raju as a Whole time Director. ■ Reappointment of Sri A A V Ranga Raju as Managing Director ■ Reappointment of Sri A G K Raju as Executive Director ■ Reappointment of Sri J V Ranga Raju as Wholetime Director ■ Keeping of Books and Registers other than at the Registered office of the Company

II. No Resolution was passed through Postal Ballot during the Financial year 2012-13. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

11. Means of communication

The Company has 63,169 shareholders as on March 31, 2013. The main channel of communication to the shareholders is through the annual report which inter alia includes the statement of Chairman Emeritus, the Directors' Report, the Report of the Board of Directors on Corporate Governance, Management Discussion and Analysis, the Standalone

and Consolidated Financial Statements along with the Auditor's Report thereon, Special Initiatives and Shareholders Information.

The Annual General Meeting (AGM) is the principal forum for interaction with the Shareholders, where the Board answers specific queries raised by the Shareholders. The Board acknowledges its responsibility towards its Shareholders and encourages open and active dialogue with all its Members and Stake Holders.

The Company communicates with its Institutional Shareholders through meetings with Analysts. The presentations made to the Analysts are uploaded on the Company's website

www.ncclimited.com.

Regular communication with shareholders ensures that the Company's strategy is being clearly understood.

Details relating to quarterly performance and financial results are disseminated to the shareholders through press releases and are also uploaded on the Company's website.

Quarterly results

The Quarterly Results of the Company are published in leading newspapers such as Business Standard/Andhra Prabha (regional language), along with the official press releases.

12. General shareholders' information

Day, date and time of 23rd Annual General Meeting

23rd Annual General Meeting of Members of the Company is scheduled to be held on Friday the 27th day of September, 2013 at 3.30 pm at K L N Prasad, Auditorium, Federation

House, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI Marg, Red Hills, Hyderabad-500004

Financial calendar for the Financial Year 2013-14

Results for quarter ending June 30, 2013	: latest by August 14, 2013
Results for quarter ending September 30, 2013	: latest by November 15, 2013
Results for quarter ending December 31, 2013	: latest by February 15, 2014
Results for year ending March 31, 2014	: latest by May 30, 2014

Book closure date: 16-09-2013 to 21-09-2013 (both days inclusive) for payment of dividend.

Dividend payment date: 1st to 15th October, 2013 (subject to approval of shareholders at AGM)

Listing on stock exchanges and stock codes

Equity shares

BSE Limited (BSE):500294

National Stock Exchange of India Limited (NSE): NCC

Listing fee for the financial year 2013-14 has been paid to the stock exchanges.

Global depositary receipts (GDR)

The Company's GDRs are listed on the Luxembourg Stock Exchange.

Debt Securities

The Company's Debt Securities are listed

on the National Stock Exchange of India Ltd (NSE).

Debenture Trustee

IDBI Trusteeship Services Ltd, Regd off: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai-400001

International Securities Identification Number (ISIN)

SI No	ISIN	Description of the Security
1	INE868B01028	Equity Shares
2	INE868B07017	1000 rated taxable Secured Redeemable Non-Convertible Debentures of face value of ₹10 lakh each aggregating to 100 Crore issued to Life Insurance Corporation of India. During the year these Debentures were partly redeemed as per issue terms and consequently the face value of each Debenture was reduced to ₹5.00 Lakh
3	INE 868B07033 & INE868B07041	1000 Secured, Redeemable Non-Convertible Debentures having the face value of ₹10.00 lakh in the form of Separately Transferable Redeemable Principal Parts of (STRPPS) having the face value of ₹1.00 lakh each aggregating to ₹100 crores issued by the Company to various investors
4	INE868B09021, INE868B09039 & INE868B09047	500 Unsecured, Redeemable Non-Convertible Debentures having the face value of ₹40.00 lakh in the form of Separately Transferable Redeemable Principal Parts of (STRPPS) having the face value of ₹10.00 lakh each aggregating to ₹200 crores issued to ICICI Bank Limited

Note: During the year ISIN Nos: INE868B07025 & INE 868B09013 were extinguished due to the redemption of NCD'S

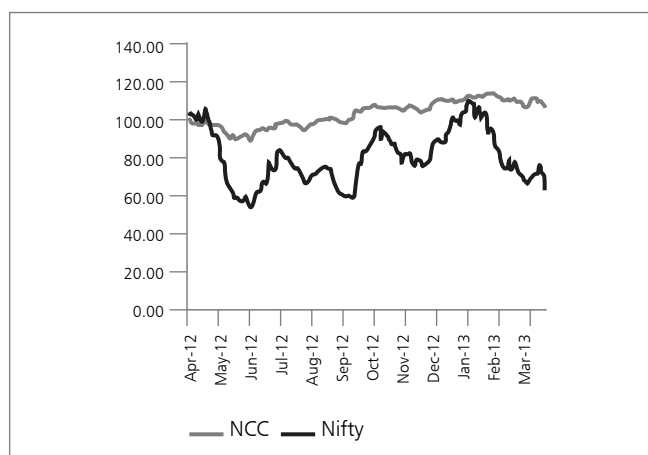
Market price data

The monthly high and low stock quotations during the Financial Year and performance in comparison to Sensex and Nifty are given below-

Month	BSE			NSE		
	High price ₹	Low price ₹	Number of shares traded	High price ₹	Low price ₹	Number of shares traded
Apr 2012	61.00	48.80	5119000	61.00	48.00	41296663
May 2012	51.50	30.10	6112177	51.50	30.00	45973334
Jun 2012	46.15	28.20	15238602	46.10	28.10	89440707
Jul 2012	47.15	35.20	9127778	47.20	35.10	55758307
Aug 2012	42.30	32.30	5917327	42.30	32.15	37638904
Sept 2012	48.05	31.25	8565794	48.10	31.20	61195706
Oct 2012	54.20	41.50	8758473	54.25	41.60	58757667
Nov 2012	49.15	40.65	5352674	49.25	40.55	25442985
Dec 2012	58.20	47.00	10407537	58.25	46.85	36396366
Jan 2013	61.45	45.40	7752769	61.45	45.20	29522231
Feb 2013	47.90	36.40	4020812	48.00	36.45	18767266
Mar 2013	43.25	31.90	3783701	43.50	31.80	18397520

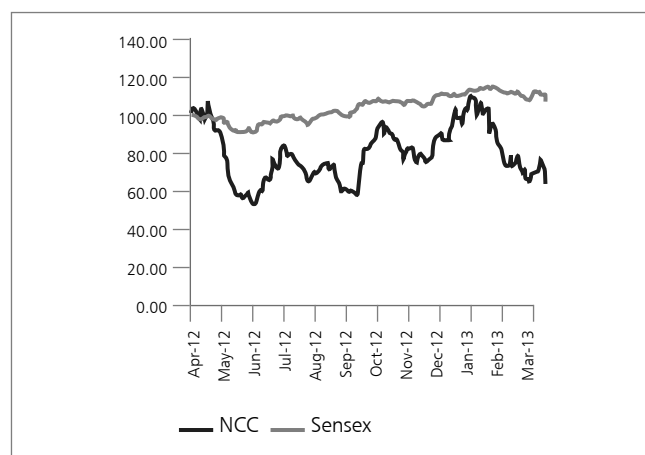
Performance in comparison to broad based indices such as Index Nifty (NSE) and Index Sensex (BSE)

Movement of NCC share price in 2012-13 on NSE



Notes: All values are indexed to 100 as on April 2, 2012

Movement of NCC share price in 2012-13 on BSE



Notes: All values are indexed to 100 as on April 2, 2012

Share Transfer System

The share transfers which are received in physical form are processed and the share certificates are returned within a period of 10 to 15 days from the date of receipt, subject to the documents being found valid and complete in

all respects. The Company appointed M/s. Karvy Computershare Pvt. Ltd as Common Registrar and Share Transfer Agents for dealing with all the activities connected with both physical and demat segments pertaining to the Securities of the Company.

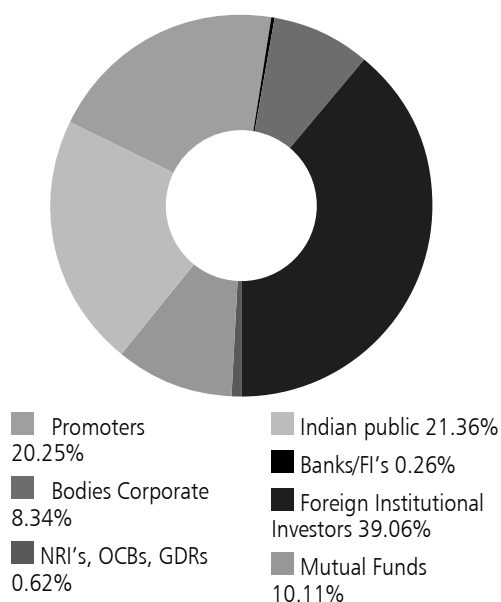
Registrar and Share Transfer Agents

Karvy Computershare Pvt Ltd
Plo No.17-24, Vittal Rao, Nagar,
Madhapur, Hyderabad-500081
Phone: 040-23420815-28
Fax: 040-23420814
Email: einward.ris@karvy.com;
www.karvycomputershare.com

Distribution of shareholding as on March 31, 2013

Number of shares held	Number of shareholders		Details of shareholding	
	Number	%	Number of shares of ₹2/- each	%
1 - 5000	60902	96.41	16022860	6.24
5001-10000	1179	1.87	4338298	1.69
10001 - 20000	529	0.84	3964173	1.55
20001 - 30000	152	0.24	1886844	0.74
30001 - 40000	81	0.13	1457667	0.57
40001 - 50000	45	0.07	1035803	0.40
50001 - 100000	91	0.14	3306053	1.29
100001 and above	190	0.30	224572112	87.52
Total	63169	100.00	256583810	100.00

Shareholding Pattern of NCC as on 31st March 2013



Shareholding pattern as on March 31,2013

Category	No. of Shares of ₹2/- each	Percentage (%)
Promoters	51969287	20.25
Indian Institutional Investors	675222	0.26
Bodies Corporate	21391011	8.34
Foreign Institutional Investors	100214256	39.06
NRIs, OCBs, GDRs	1575223	0.62
Mutual Funds	25943067	10.11
Indian Public	54815744	21.36
Total	256583810	100.00

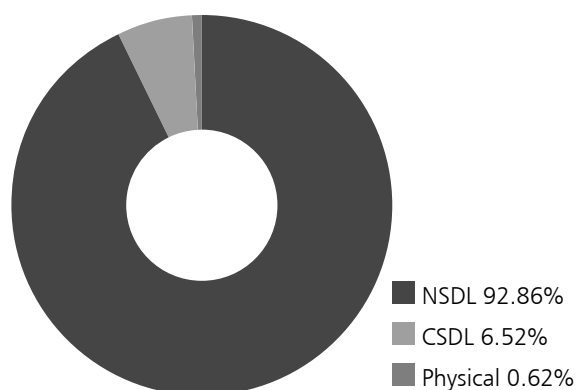
Equity History

Date	Particulars	Issued (No. of Shares)	Cumulative (No. of Shares)
23.03.1990	Subscription to the Memorandum	81	81
27.06.1990	Issued to promoters	999919	1000000
09.09.1992	Public Issue	2311200	3311200
01.06.1996	Rights Issue	4139000	7450200
01.03.2002	Warrants issued to Promoters on preferential basis which were converted into equity shares of ₹10 each	2000000	9450200
21.02.2004	Equity shares issued to select investors on preferential basis	2000000	11450200
01.12.2004	Equity shares issued to select investors on preferential basis	2950000	14400200
29.03.2005	Warrants issued to select investors on preferential basis which were converted into equity shares of ₹10 each	700000	15100200
31.03.2005	Warrants issued to Promoters on preferential basis which were converted into equity shares of ₹10 each	800000	15900200
31.08.2005	Splitting of shares of ₹10 each into shares of ₹2 each	79501000	79501000
19.09.2005	Issue of shares under NCC-ESOP plan-2004	7150	79508150
19.12.2005	Issue of 20,547,940 equity shares underlying GDR's	20547940	100056090
05.01.2006	Issue of 2,935,420 equity shares underlying GDRs under Green Shoe Option	2935420	102991510
11.02.2006	Issue of shares under NCC – ESOP Plan – 2004	320150	103311660
11.04.2006	Issue of shares under NCC – ESOP Plan – 2004	48350	103360010
22.08.2006	Issue of shares under NCC – ESOP Plan – 2004	8520	103368530
23.09.2006	Issue of bonus shares in the ratio of 1:1	103368530	206737060
14.02.2007	Issue of shares under NCC – ESOP Plan – 2004 .	709800	207446860
30.03.2007	Issue of shares under NCC – ESOP Plan – 2004 .	1064040	208510900
23.07.2007	Issue of shares under NCC – ESOP Plan – 2004	11380	208522280
03.10.2007	Equity shares issued preferential basis to M/s. Blackstone Group	20246900	228769180
07.01.2008	Issue of shares under NCC – ESOP Plan – 2004	4740	228773920
13.02.2008	Issue of shares under NCC – ESOP Plan – 2004	64800	228838720
01.08.2008	Issue of shares under NCC – ESOP Plan – 2004	7530	228846250
02.03.2009	Issue of shares under NCC – ESOP Plan – 2004	4660	228850910
03-09-2009	Issue of shares to QIB's under QIP	27732900	256583810

Dematerialization of shares and liquidity

Over 99.38% of the outstanding shares were dematerialized up to March 31, 2013. Trading in equity shares of the Company is permitted only in dematerialized form w.e.f. January 29, 2001 as per notification issued by the Securities and Exchange Board of India (SEBI). The Company's shares are liquid and actively traded. The monthly volume of the Company's shares traded on the Indian stock exchanges is a part of this report.

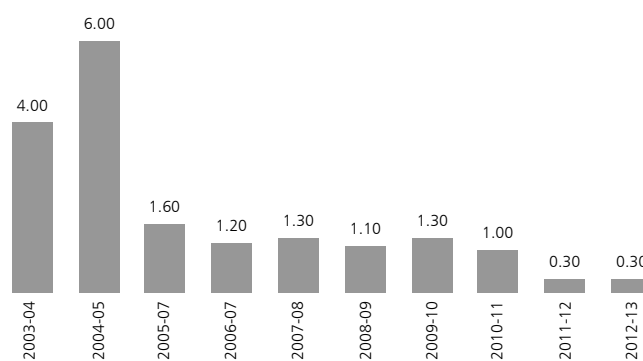
Demat status as on 31.03.2013



GDR & their impact on equity shares

As on March 31, 2013, there were approximately 39700 GDRs pending for conversion. The Overseas Depository is Deutsche Bank Trust Company Americas at 60 W all Street New York NY 10005, USA and the custodian is ICICI Bank Ltd, Securities Processing Division, North Tower, II floor, ICICI towers, Bandra Kurla Complex, Mumbai - 400051, India.

Dividends history since 2003-04



31.08.2005: Split of shares from ₹10 per share to ₹2 per share(*2005-06)

23.09.2006: Issue of bonus shares in the ratio 1:1

Dividend for 2012-13 is subject to shareholders' approval

ECS Facility

The Company is providing facility of "Electronic Clearing Service" (ECS) for payment of dividend to shareholders who are requested to provide details of their bank account for availing ECS facility. Further, ECS facility is also available to the beneficial owners of shares held in electronic form. Those desirous of availing the ECS facility may provide their mandate to the Company in writing, in the form which is annexed to the notice convening the annual

general meeting of the Company or can be obtained from the Company's Registrar and Transfer Agents viz. M/s. Karvy Computershare Private Limited.

Unclaimed dividend

In terms of Sections 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unclaimed dividend

account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer to the Investor Education and Protection Fund. In compliance with Sections 205A(6) & 205A(7) of the Companies Act, 1956, the Company transferred the unclaimed dividend amounting to ₹3,31,402 pertaining to the year 2004-2005 to the Investor Education and Protection Fund.

Due dates for transfer of dividend unclaimed to IEPF

Financial year	Type of dividend	Date of declaration	Amount of unclaimed dividend outstanding as on 31.3.2013 (₹)	Last date for claiming Un-paid Dividend by investors	Due date for transfer to IEPF
2005-2006	Final	31.08.2006	534111.00	06.10.2013	05.11.2013
2006-2007	Interim	21.03.2007	668544.00	27.04.2014	26.05.2014
2006-2007	Final	30.07.2007	371086.80	05.09.2014	04.10.2014
2007-2008	Final	31.07.2008	938006.50	06.09.2015	05.10.2015
2008-2009	Final	30.07.2009	922986.40	05.09.2016	04.10.2016
2009-2010	Final	10.08.2010	972948.60	16.09.2017	15.10.2017
2010-2011	Final	12.08.2011	900754.00	18.09.2018	17.10.2018
2011-2012	Final	26-09-2012	435066.30	02.11.2019	01.12..2019

Top ten shareholders of the Company as on March 31, 2013

Sl. No	Name of the shareholder	Number of shares	% of shareholding
1	Blackstone GPV Capital Partners Mauritius V-A Ltd	25399699	9.90
2	Warhol Limited	25384700	9.89
3	A V S R Holdings Private Limited	17967167	7.00
4	Smt.Jhunhunwala Rekha Rakesh	16000000	6.24
5	City Group Global Markets Mauritius Private Limited	11950265	4.66
6	Beacon India Private Equity Fund	9818207	3.83
7	Sri A A V Ranga Raju	5931740	2.31
8	Birla Sunlife Insurance Company Limited	5740470	2.24
9	Dr.Rakesh R Jhunhunwala	5000000	1.95
10	UTI	4791198	1.87

Corporate benefits to investors

Bonus issue of fully paid-up equity shares in the year 2006-07 in the ratio of 1:1

Compliance with Clause 5 A of the Listing Agreement

As per Clause 5A (II) of the Listing

Agreement, the Company has transferred 97265 Shares of 159 members to whom three reminders were already issued to "Unclaimed Suspense Account" opened with Oriental Bank of Commerce (OBC), Ameerpet Branch, Hyderabad bearing Client ID No. 11706219. These shares will be issued upon receipt of request

from original shareholder after following due procedure for issue.

Particulars	No. of Shareholders	Number of Equity Shares
Aggregate Number of Shareholders and outstanding Shares lying in the Suspense account as on April 1, 2012	159	97265
Number of shareholders approached the Company for transfer of shares from Suspense account during the year	Nil	Nil
Aggregate Number of Shareholders and outstanding Shares lying in the Suspense account as on March 31, 2013	159	97265

Compliance with Clause 49 Disclosures

During 2012-13 certain transactions were entered into with related parties. The details thereof are given under note number 31 forming a part of the Financial Statements.

There were no occasions of non-compliance by the Company and no penalties or strictures were imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to Capital markets, during the last three years.

The Company has no written Whistle Blower Policy.

During the year, there was no treatment of any transaction different from that of prescribed in the Accounting Standards as required under Section 211(3C) of the Companies Act, 1956.

A report on risk management forms a part of the Management Discussion and Analysis in this Annual Report.

This Annual Report has a detailed section on Management Discussion and Analysis.

The information on appointment/ re-appointment of Directors and their brief profiles are disclosed in the Notice of the ensuing Annual General Meeting for the information of shareholders.

Mandatory requirements

The Company has complied with all the applicable mandatory requirements of Clause 49 of the listing agreement and is also submitting a quarterly compliance report duly signed by the Compliance Officer of the Company to the stock exchanges within the time prescribed under the listing agreement.

Non-mandatory requirements

The Company has constituted the HR and Compensation Committee of the Board of Directors. Necessary details are provided under the section "HR and Compensation Committee of the Board."

As a measure of good corporate

governance practice, the Company has appointed M/s.BS &Co, Company Secretaries to conduct Secretarial Audit of records and documents of the Company.

Investor's correspondence

Physical/Electronic mode

M/s.Karvy Computershare Pvt. Ltd.,
Plot No 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500081
Phone: 40-23420815-818,
Fax: 040-23420814
Email: einward.ris@karvy.com,
www.karvycomputershare.com

Shareholders general correspondence

Compliance Officer

Sri.M.V.Srinivasamurthy
Company Secretary & Sr.Vice-President
(Legal)
NCC House, 9th Floor, Madhapur,
Hyderabad-500081,
Phone : 040-23268888
Fax : 040- 23125555
E-Mail : ho.secr@nccltd.in
www.ncclimited.com

Declaration of compliance with the Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for Board members and senior management personnel in respect of the financial year ended March 31, 2013.

For NCC Limited

Place: Hyderabad
Date: 22nd May, 2013

A. A. V. Ranga Raju
Managing Director

Chief Executive Officer and Chief Financial Officer Certification Under Clause 49 of the Listing Agreement with the Stock Exchanges

In relation to the Audited Financial Accounts of the Company as at March 31, 2013, we hereby certify that

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad

Date: 22nd May , 2013

A.A.V. Ranga Raju
Managing Director
(Chief Executive Officer)

R. S. Raju
Sr. Vice President (F&A)
(Chief Financial Officer)

Certificate of Compliance from Auditors as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges in India

M. Bhaskara Rao & Co.*Chartered Accountants*

5D, Fifth Floor

6-3-352, Somajiguda

Hyderabad - 500 082

Deloitte Haskins & Sells*Chartered Accountants*

1 -8-384 & 385, 3rd Floor

Gowra Grand, S.P.Road

Secunderabad - 500 003

To the Members of

NCC Limited

We have examined the compliance of conditions of Corporate Governance by NCC Limited ("the Company"), for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the condition of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness, with which the management has conducted the affairs of the Company.

For M. Bhaskara Rao & Co.*Chartered Accountants**(Regd.No.000459S)***For Deloitte Haskins & Sells***Chartered Accountants**(Regn.No.008072S)*

Place: Hyderabad

Date: 22nd May, 2013

M.V Ramana Murthy*Partner**Membership No.206439***Ganesh Balakrishnan***Partner**Membership No.201193*

Secretarial Audit Report

To

The Board of Directors

NCC Limited

NCC House,

Madhapur,

Hyderabad – 500 081

Dated : 22nd May, 2013

We have examined the registers, records and documents of NCC Limited ("the Company") for the financial year ended 31st March, 2013 in relation to–

- The Companies Act, 1956 and the Rules made under that Act;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- The Equity Listing Agreements with BSE Limited and National Stock Exchange of India Limited, Debt Listing Agreement with National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange.

1. Based on our examination and verification of the registers, records

and documents produced to us and according to the information and explanations given to us by the Company, we report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 ("the Act") and the rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:

- (a) maintenance of various statutory registers and documents and making necessary entries therein;
- (b) closure of the Register of Members/ Debenture holders
- (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
- (d) service of documents by the Company on its Members, Debenture Holders, Debenture Trustees, Auditors and Registrar of Companies;
- (e) notice of Board meetings and Committee meetings of Directors;
- (f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- (g) Annual General Meeting;

(h) minutes of proceedings of General meetings and of Board and its Committee meetings;

(i) approvals of the members, the Board of Directors, the Committees of the Directors, wherever required;

(j) constitution of the Board of Directors/Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;

(k) payment of remuneration to the Directors including the Managing Director and Whole-time Directors;

(l) appointment and remuneration of Auditors;

(m) transfers and transmissions of the Company's shares and debentures;

(n) declaration and payment of dividends;

(o) redemption of debentures;

(p) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;

(q) borrowings and registration, modification and satisfaction of charges;

(r) investment of the Company's funds including inter corporate loans and investments and loans to others;

(s) giving guarantees in connection with loans taken by subsidiaries and associate companies;

(t) form of Balance Sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Statement of Profit and Loss as per Part II of the said Schedule;

(u) Directors' Report under Section 217;

(v) contracts, common seal, registered office and publication of name of the Company; and

(w) generally, all other applicable provisions of the Companies Act, 1956 and the Rules made under that Act.

2. We further report that:

(a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/ debenture holdings and directorships in other companies and interests in other entities;

(b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, and compliance with the Company's Codes of Conduct including the one for Prevention of Insider Trading.

(c) the Company has obtained all necessary approvals under the various provisions of the Act; and

(d) there was no prosecution initiated and no fines and penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.

3. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed there under by the Depositories with regard to dematerialization/ rematerialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

4. We further report that:

(a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited and the National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and Debt Listing Agreement

with National Stock Exchange of India Limited;

(b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

(c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;

(d) the Company has complied with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as applicable.

For BS & Company
Company Secretaries

B Pavan Kumar

Partner

Certificate of Practice No. 4774

STANDALONE FINANCIAL STATEMENTS

Independent Auditors' Report

To The Members Of
NCC Limited

Report on the Financial Statements

We have audited the accompanying financial statements of NCC Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by branch auditors of the Company's overseas branches at Oman and Nepal ("the Branches") audited by other auditors.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports on the accounts of the Company's overseas branches audited by the branch auditors which have been forwarded to us and have been properly dealt with, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Independent Auditors' Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **M. Bhaskara Rao & Co.**
Chartered Accountants
 (Registration No.000459S)

For **Deloitte Haskins & Sells**
Chartered Accountants
 (Registration No. 008072S)

M V Ramana Murthy
Partner
Membership No. 206439
 Hyderabad, May 22, 2013

Ganesh Balakrishnan
Partner
Membership No. 201193

Annexure 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)

- (i) Having regard to the nature of the Company's business/ activities/results during the year, clauses (vi), (x), (xii), (xiii), (xiv), (xviii) and (xx) of the paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) A major portion of 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 its assets. According to the information and explanations given to us, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories:
 - (a) According to the information and explanations given to us, the Management has physically verified the inventories during the year. In our opinion, having regard to the nature of business and location of stocks, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt in the books of account.
- (iv) In respect of loans, secured or unsecured, granted / taken by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans repayable as per the terms, aggregating ₹ 1,093.76 million to five parties during the year. The outstanding balances at the end of the year of such loans aggregated ₹ 6,849.24 million (Six parties) the maximum amount involved during the year was ₹ 6,869.04 million (Six parties).
 - (b) In our opinion, the rate of interest and other terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.
 - (c) The receipts of principal amounts and interest have been regular during the year.
 - (d) There is no overdue amount in respect of the aforesaid loans.
 - (e) The Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956 accordingly, clauses (iii) (f) and (g) of paragraph 4 of the Order are not applicable.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in section 301 that needed to be entered in to the register maintained under the said section have been so entered.
 - (b) In our opinion, the transactions (excluding loans reported under paragraph (iii) above) exceeding the value of ₹ 5 lakhs in respect of any party during the year have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time, where such market prices are available.
- (vii) In our opinion, the internal audit function carried out during the year by firm of Chartered Accountants and by an external agency appointed by the Management is commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

Annexure to the Independent Auditors' Report (Contd.)

- (ix) According to the information and explanation given to us in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues applicable to it with the appropriate authorities during the year.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any other material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax / VAT, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited as on March 31, 2013 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Million)
Sales Tax and VAT Laws	Sales Tax	Hon'ble High Court of Andhra Pradesh	1994 - 1995	1.67
	Sales Tax	Sales Tax Appellate Tribunal, Andhra Pradesh	1999 - 2004 & 2006 - 2007	57.00
	VAT	Appellate Additional Commissioner, Uttar Pradesh	2005 - 2009	102.37
	VAT	Deputy Commissioner of Sales tax (Appeals), Assam	2005 - 2007	184.10
	VAT	Commissioner of Commercial taxes, Jharkhand	2009 - 2010	14.97
	Sales Tax	Hon'ble High Court of Tamil Nadu.	2006 - 2007	4.36
	VAT	Appellate Deputy Commissioner, Haryana	2007 - 2010	40.82
	VAT	Sr.Joint Commissioner (Appeals), West Bengal	2008 - 2010	684.63
	VAT	Appellate Deputy Commissioner, Kerala	2007 - 2009	23.99
Central Excise Laws	Excise Duty	CESTAT, Bangalore	2007 - 2009	5.73
Finance Act, 1994	Service Tax	CESTAT, Bangalore	2005 - 2011	1,103.95
Customs Act, 1962	Customs	CESTAT, Mumbai	2010 - 2011	10.29
Income-tax Act, 1961	Income tax	CIT (Appeals)	2005 - 2012	100.20

There are no disputed dues of Wealth Tax which have not been deposited as on March 31, 2013.

- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
- (xi) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained.
- (xiii) In our opinion and according to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xiv) According to the information and explanations given to us and records examined by us, securities/charges have been created in respect of debentures issued.
- (xv) To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

For **M. Bhaskara Rao & Co.**
Chartered Accountants
(Registration No.000459S)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 008072S)

M V Ramana Murthy
Partner
Membership No. 206439
Hyderabad, May 22, 2013

Ganesh Balakrishnan
Partner
Membership No. 201193

Balance Sheet as at March 31, 2013

(₹ in Million)

	Note	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	513.17	513.17
Reserves and Surplus	4	24,167.17	23,597.45
		24,680.34	24,110.62
Non Current Liabilities			
Long Term Borrowings	5	1,716.18	3,226.89
Deferred Tax Liabilities (Net)	6	231.21	254.72
Other Long Term Liabilities	7	543.37	393.40
Long Term Provisions	8	176.53	181.92
		2,667.29	4,056.93
Current Liabilities			
Short Term Borrowings	9	18,842.60	17,330.55
Trade Payables	10	13,989.99	12,424.17
Other Current Liabilities	11	20,696.67	22,306.77
Short Term Provisions	12	396.81	174.82
		53,926.07	52,236.31
Total		81,273.70	80,403.86
ASSETS			
Non Current Assets			
Fixed Assets	13		
Tangible Assets		7,122.58	7,185.34
Intangible Assets		62.81	73.33
Capital Work in Progress		61.24	351.47
Non Current Investments	14.1	12,536.23	12,401.90
Long Term Loans and Advances	15	3,205.29	3,855.34
Other Non Current Assets	16	1,502.79	1,338.87
		24,490.94	25,206.25
Current Assets			
Current Investments	14.2	0.03	-
Inventories	17	14,263.53	12,335.25
Trade Receivables	18	11,429.52	13,072.27
Cash and Bank Balances	19	800.04	646.31
Short Term Loans and Advances	20	21,126.48	21,388.37
Other Current Assets	21	9,163.16	7,755.41
		56,782.76	55,197.61
Total		81,273.70	80,403.86
Corporate information and Significant accounting policies	1 & 2		

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board

For M BHASKARA RAO & CO.
Chartered AccountantsFor DELOITTE HASKINS & SELLS
Chartered AccountantsM.V. RAMANA MURTHY
PartnerGANESH BALAKRISHNAN
PartnerR.S. RAJU
Sr. Vice President (F&A)A.A.V. RANGA RAJU
Managing DirectorM.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Hyderabad, May 22, 2013

Statement of Profit and Loss for the year ended March 31, 2013

(₹ in Million)

	Note	Year ended March 31, 2013		Year ended March 31, 2012	
REVENUE					
Revenue from Operations	22	57,249.18		52,504.70	
Other Income	23	1,258.89		1,205.72	
Total Revenue			58,508.07		53,710.42
EXPENSES					
Cost of Materials Consumed	24	22,794.36		22,007.37	
Construction Expenses	25	27,431.07		24,632.55	
Changes in Inventories of Work in Progress	26	(1,997.06)		(2,400.01)	
Employee Benefits Expense	27	2,426.98		2,401.87	
Finance Costs	28	4,070.38		3,839.99	
Depreciation and Amortization Expense	13.3	920.22		829.83	
Other Expenses	29	1,884.90		1,869.64	
Total Expenses			57,530.85		53,181.24
Profit Before Tax			977.22		529.18
Tax Expense	29A		350.56		169.36
Profit for the year			626.66		359.82
Earnings per share of face value of ₹ 2/- each.					
Basic and Diluted - ₹	34		2.44		1.40
Corporate information and Significant accounting policies	1 & 2				

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board

For **M BHASKARA RAO & CO.**
Chartered Accountants

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

M.V. RAMANA MURTHY
Partner

GANESH BALAKRISHNAN
Partner

R.S. RAJU
Sr. Vice President (F&A)

A.A.V. RANGA RAJU
Managing Director

M.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)

A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Hyderabad, May 22, 2013

Cash Flow Statement for the year ended March 31, 2013

(₹ in Million)

	Year ended March 31, 2013	Year ended March 31, 2012
A. Cash flow from operating activities		
Profit before tax	977.22	529.18
Adjustments for:		
Depreciation and amortization expense	920.22	829.83
Profit on sale fixed assets	(108.00)	(5.95)
Finance costs	4,070.38	3,839.99
Interest income	(1,041.65)	(1,079.25)
Dividend income	-	(11.25)
Profit on Sale of Long Term Investment	-	(12.80)
Rental income from operating leases	(31.49)	(32.22)
Exchange Difference on transactions of foreign currency balances	33.11	54.30
	3,842.57	3,582.65
Operating profit before working capital changes	4,819.79	4,111.83
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,928.28)	(3,374.97)
Trade receivables	1,642.75	1,463.74
Short term loans and advances	917.02	(3,932.25)
Long term loans and advances	65.00	187.59
Other current assets	(1,222.48)	(3,037.47)
Other non current assets	(163.92)	1,213.84
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,565.82	3,389.15
Other current liabilities	(1,540.10)	11,234.52
Other long term liabilities	149.97	(374.21)
Short term provisions	6.76	11.27
Long term provisions	(5.39)	5.70
	(512.85)	6,786.91
Cash generated from operations	4,306.94	10,898.74
Income Tax paid (Net)	(584.67)	(1,135.26)
Net cash flow from operating activities (A)	3,722.27	9,763.48
B. Cash flow from investing activities		
Capital expenditure on fixed assets	(1,270.34)	(1,474.83)
Proceeds from sale of fixed assets	821.64	243.01
Bank balances not considered as Cash and cash equivalents	(23.39)	4.22
Purchase of long term investments - Subsidiaries	1,933.94	(3,053.79)
Purchase of long term investments - others	(17.50)	(77.01)
Proceeds from sale of long-term investments	-	28.80
Loans given to subsidiaries, associates and other body corporates	(1,327.52)	(729.69)
Loans realised from subsidiaries, associates and other body corporates	0.02	598.96
Interest received	487.92	667.97
Dividend received from Joint venture	-	11.25
Rental income from operating leases	31.49	32.22
Net cash flow from / (used in) investing activities (B)	636.26	(3,748.89)

Cash Flow Statement (Contd.)

(₹ in Million)

	Year ended March 31, 2013	Year ended March 31, 2012
C. Cash flow from financing activities		
Repayment of Debentures	(1,050.00)	(250.00)
Proceeds from long term borrowings	292.97	387.82
Repayment of Long term borrowings	(845.68)	(744.49)
Net increase / (decrease) in short term borrowings	1,512.05	(1,892.66)
Finance cost paid	(4,047.71)	(3,780.24)
Dividend & Tax on dividend paid	(89.47)	(297.68)
Net cash flow used in financing activities (C)	(4,227.84)	(6,577.25)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	130.69	(562.66)
Cash and cash equivalents at the beginning of the year	520.63	1,084.14
Effect of exchange differences on translation of foreign currency Cash and cash equivalents	(0.35)	(0.85)
Cash and cash equivalents at the end of the year (Refer note 19)	650.97	520.63
Note: Figures in brackets represents cash outflows.		

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board

For **M BHASKARA RAO & CO.**
Chartered Accountants

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

M.V. RAMANA MURTHY
Partner

GANESH BALAKRISHNAN
Partner

R.S. RAJU
Sr. Vice President (F&A)

A.A.V. RANGA RAJU
Managing Director

M.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)

A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Hyderabad, May 22, 2013

Notes forming part of the financial statements

1 Corporate information:

NCC Limited, formerly Nagarjuna Construction Company Limited ("NCCL", / "the Company") was established as a Partnership firm in 1978, which was subsequently converted into a Limited Company in 1990. The shares of the Company, are listed on the stock exchanges in India, in 1992 pursuant to Public offer of equity shares. The Company is engaged in the infrastructure sector, primarily in the construction of industrial and commercial buildings, roads, bridges and flyovers, water supply and environment projects, housing, power transmission lines, irrigation and hydrothermal power projects, real estate development, etc.

2 Significant accounting policies:

2.1 Basis of Accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year unless otherwise stated separately herein below.

2.2 Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are 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 periods in which the results are known / materialise.

2.3 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition, less accumulated depreciation 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 upto that date.

Depreciation is provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956 except for construction accessories which are depreciated at 20% p.a. based on useful life determined by the Management. Leasehold improvements are amortised over the period of lease. Intangible assets are amortised over a period of five years.

Fixed assets in joint venture operations, which are accounted to the extent of the Company's interest in the venture, are depreciated on Straight Line Method / Written Down Value Method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at higher rates as stated below:

S.No.	Description	Straight Line Method	Written Down Value Method
1	Plant and Equipment	4.75%	15% - 25%
2	Furniture and Fixtures	6.33%	10% - 20%
3	Office Equipments	4.75%	15% - 25%
4	Computers	16.21%	60%
5	Construction Vehicles	-	15% - 25%
6	Construction Accessories	20%	15% - 25%
7	Office Vehicles	9.50%	15% - 25%

2.4 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 asset's 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 recognised 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.

Notes forming part of the financial statements

2.5 Borrowing Costs

Borrowing Costs that are attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time i.e., more than 12 months to get ready for its intended use. All other borrowing costs are charged to revenue.

2.6 Inventories

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or under. Cost excludes refundable duties and taxes.

Work in Progress:

Project Division: Work-in-Progress is valued at the contracted rates less profit margin / estimates.

Light Engineering Division: Work-in-Progress is valued at lower of cost and net realisable value.

Properties under development are valued at cost or under. Cost comprises all direct development expenditure, administrative expenses and borrowing costs. Land held for resale is valued at lower of cost and net realisable value.

2.7 Investments

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

2.8 Employee Benefits

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 'Employee Benefits' notified by the Companies (Accounting Standards) Rules, 2006.

Defined Benefit Plan

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees

Liability on account of gratuity is:

- covered partially through a recognised Gratuity Fund managed by Life Insurance Corporation of India and contributions are charged to revenue; and
- balance is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) 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.

In respect of Oman branch employees, end of service benefit is accrued in accordance with terms of employment. Employee entitlements to annual leave and gratuity are recognized on actual basis and charged to the Statement of Profit and Loss.

Defined Contribution Plan

iii) Superannuation

The Company makes monthly contribution to an approved superannuation fund covered by a policy with Birla Sunlife Insurance Company Limited. The Company has no further obligation beyond the monthly contribution.

iv) Provident Fund

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

Notes forming part of the financial statements

2.9 Revenue Recognition

- i) **Project Division:** Revenue from construction contracts is recognised by reference to the percentage of completion of the contract activity gross of applicable taxes. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognised as expenditure.
- ii) **Property Development:** Revenue is recognised when the Company enters into an agreement for sale with the buyer and all significant risks and rewards have been transferred to the buyer and there is no uncertainty regarding realisability of the sale consideration.

2.10 Joint Venture Projects:

- i) In respect of Joint Venture Contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognized in the agreed proportions under respective heads in the financial statements.
- ii) Assets, Liabilities and Expenditure arising out of contracts executed wholly by the Company pursuant to a joint venture contract are recognised under respective heads in the financial statements. Income from the contract is accounted net of joint venturer's share under turnover in these financial statements.
- iii) Share of turnover attributable to the Company in respect of contracts executed by the other joint venture partners pursuant to Joint Venture Agreement, is accounted under Turnover in these financial statements.

2.11 Foreign exchange translation and foreign currency transactions:

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

Foreign branches are classified as non-integral foreign operations. Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are accumulated in a separate account 'Foreign Currency Translation Reserve' till the disposal of the net investments.

2.12 Leases :

The Company's leasing arrangements are mainly in respect of operating leases for premises and construction equipment. The leasing arrangements range from 11 months to 10 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.

2.13 Taxes on Income:

- i) **Current Tax:** Provision for Current Tax is made based on taxable income computed for the year under the Income Tax Act, 1961.
- ii) **Deferred Taxes:** 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 are recognized and carried forward only to the extent that there is a certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

Notes forming part of the financial statements

2.14 Contingency Reserve :

The Company transfers to Contingency Reserve out of the Surplus in the Statement of Profit and Loss, such amounts as the Management considers appropriate based on their assessment to meet any contingencies relating to substantial expenditure incurred during the maintenance period of a contract, non-realisation of contract bills earlier recognised as income and claims, if any, lodged by the contractees or by sub-contractors or by any third party against the Company in respect of completed projects for which no specific provision has been made.

2.15 Earnings Per Share :

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, Earnings Per Share notified by the Companies (Accounting Standards) Rules, 2006. 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 Shareholders 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.

2.16 Provisions, Contingent Liabilities and Contingent Assets :

The Company recognised 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 recognised nor disclosed in the financial statements.

2.17 Cash Flow Statement

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

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.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
3 Share Capital				
Authorised :				
Equity Shares of ₹ 2 each	300,000,000	600.00	300,000,000	600.00
Issued :				
Equity Shares of ₹ 2 each	256,833,810	513.67	256,833,810	513.67
Subscribed and Paid up :				
Equity Shares of ₹ 2 each	256,583,810	513.17	256,583,810	513.17
Total		513.17		513.17

3.1 Reconciliation of the number of equity shares and amount outstanding at beginning and at end of the year

(₹ in Million)

	Year Ended March 31, 2013		Year Ended March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	256,583,810	513.17	256,583,810	513.17
Add: Changes during the year	-	-	-	-
Balance at end of the year	256,583,810	513.17	256,583,810	513.17

3.2 Details of shares held by each shareholder holding more than 5% shares (excluding shares represented by underlying Global Depository Receipts (GDRs))

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	% holding	Number of shares	% holding
Blackstone GPV Capital Partners Mauritius V-A Ltd.	25,399,699	9.90	25,399,699	9.90
Warhol Limited	25,384,700	9.89	25,384,700	9.89
A V S R Holdings Private Limited	17,967,167	7.00	17,967,167	7.00
Smt Rekha Jhunjhunwala	16,000,000	6.24	10,000,000	3.90
Government Pension Fund Global	2,598,965	1.01	14,321,067	5.58

3.3 Details of unsubscribed equity shares

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of ₹ 2 each	250,000	0.50	250,000	0.50

3.4 Unclaimed equity shares of 97,265 (31.03.2012: 97,265) are held in "NCC Limited - Unclaimed suspense account " in trust.

3.5 Rights of the share holders

- The equity shares of the company having par value of ₹ 2 per share, rank pari passu in all respects including voting rights (except GDRs) and entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of Companies Act 1956, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.
- 39,700 (31.03.2012: 75,750) equity shares represent the shares underlying outstanding GDRs. Each GDR represent one underlying equity share having par value of ₹ 2. The GDRs, rank pari passu in all respects with the equity shares issued by the Company, except in respect of voting rights.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
4 Reserves and Surplus				
Capital Reserve		54.33		54.33
Securities Premium		14,649.35		14,649.35
Debenture Redemption Reserve				
Opening balance	940.00		750.00	
Add / (Less) : Transferred from / to Statement of Profit and Loss	(265.00)		190.00	
Closing balance		675.00		940.00
Contingency Reserve		220.00		220.00
Foreign Currency Translation Reserve				
Opening balance	(30.38)		(83.83)	
Add : Effect of foreign exchange variations during the year	33.11		53.45	
Closing balance		2.73		(30.38)
General Reserve				
Opening balance	5,014.59		4,964.59	
Add : Transferred from Surplus in Statement of Profit and Loss	150.00		50.00	
Closing balance		5,164.59		5,014.59
Surplus in Statement of Profit and Loss				
Opening balance	2,749.56		2,719.20	
Add : Profit for the year	626.66		359.82	
Transferred from Debenture Redemption Reserve	265.00		-	
	3,641.22		3,079.02	
Less : Appropriations				
Transferred to Debenture Redemption Reserve	-		190.00	
Dividend proposed to be distributed to equity share holders ₹ 0.30 per share (31.03.2012 : ₹ 0.30 per share)	76.97		76.97	
Tax on Dividend	13.08		12.49	
Transferred to General Reserve	150.00		50.00	
	240.05		329.46	
Closing balance		3,401.17		2,749.56
Total		24,167.17		23,597.45

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current*	Non Current	Current*
5 Long Term Borrowings				
Debentures				
Secured				
11.95% Redeemable, Non-convertible Debentures (Refer note 5.1)	-	500.00	500.00	250.00
10.50% Redeemable, Non-convertible Debentures (Refer note 5.2)	400.00	300.00	700.00	300.00
Unsecured				
9.50% Redeemable, Non-convertible Debentures (Refer note 5.3)	1,000.00	500.00	1,500.00	500.00
Term Loans				
Secured				
From Banks (Refer note 5.4)	183.94	229.09	377.84	348.58
From Other Parties (Refer note 5.5)	113.52	136.67	123.75	356.81
Vehicle Loans				
Secured				
From Banks (Refer note 5.6)	18.72	25.55	25.30	28.58
Total	1,716.18	1,691.31	3,226.89	1,783.97

* Current maturities are included in Note 11 - Other Current Liabilities

Notes forming part of the financial statements

5.1 11.95% Redeemable Non Convertible Debentures

- (i) Debentures numbering to 1,000 having a face value of ₹ 1 million each aggregating to ₹ 1,000 million privately placed with Life Insurance Corporation of India on February 4, 2009. These are secured by first charge created in favour of IDBI Trusteeship Services Limited, trustees to the debenture holders:
 - by way of hypothecation of the Company's movable properties specified in the Schedule-2 of Memorandum of Hypothecation dated April 25, 2009;
 - first charge by way of equitable mortgage by deposit of title deeds of the Company's immovable property situated at Gujarat as specified in first schedule to the Debenture Trust Deed dated April 23, 2009;
 - equitable mortgage by deposit of title deeds of Company's immovable properties situated at Hyderabad, Bangalore, Mumbai and New Delhi as specified in Schedule-A of Declaration and Undertaking dated April 25, 2009.
- (ii) These debentures are to be redeemed at par in 3 installments in the ratio of 25:25:50 commencing at the end of 3rd year from the date of allotment i.e., February 4, 2012 onwards.

5.2 10.50% Redeemable Non Convertible Debentures

- (i) Debentures numbering to 1,000 having a face value of ₹ 1 million each comprising of ten (10) Detachable and Separately Transferable, Redeemable Principal Parts ("STRPPS") aggregating to ₹ 1,000 million privately placed during 2009-10 with various banks and financial institutions. These are secured by first charge created in favour of IDBI Trusteeship Services Limited, trustees to the debenture holders, by way of equitable mortgage of the title deeds in respect of the company's immovable property situated at Kadi Taluka, Mehasana district, Gujarat as specified in the first schedule to the Debenture Trust Deed dated September 15, 2009 and by way of equitable mortgage by deposit of title deeds of the immovable properties of the Company and its subsidiary and its step-down subsidiaries, situated at Hyderabad as specified in Schedule-A to I of Declaration and Undertaking dated October 12, 2009.
- (ii) These debentures are to be redeemed at par in 3 installments in the ratio of 30:30:40 commencing at the end of 3rd year from the date of allotment i.e., July 24, 2012 onwards.

5.3 9.50 % Unsecured Redeemable Non-Convertible Debentures

- (i) Debentures numbering to 500 having face value of ₹ 4 million each comprising of four (4) Detachable and Separately Transferable Redeemable principal parts ("STRPPS") of face value of ₹ 1 million each aggregating to ₹ 2,000 million privately placed with ICICI Bank Limited.
- (ii) These Debentures are to be redeemed at par in four equated installments commencing at the end of second year from the date of allotment i.e. August 11, 2012 onwards.

5.4 Term Loans from Banks

- (i) HDFC Bank , Indus Ind Bank Ltd and IDBI Bank Ltd
 - Secured by hypothecation of specific assets purchased out of the loan, comprising Plant and Machinery
- (ii) Standard Chartered Bank
 - Secured by hypothecation of specific assets, comprising Plant and Machinery
- (iii) Axis Bank Limited and Kotak Mahindra Bank
 - Secured by hypothecation of specific assets purchased out of the loan

Notes forming part of the financial statements

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in million)		Interest Range % per annum	Number of outstanding Installments As at		Frequency of Installments	Commencing From- To
		31.03.2013	31.03.2012	31.03.2013	31.03.2012		31.03.2013	31.03.2012		
(i)	HDFC Bank	5	1	45.39	8.20	8.61 to 10.50	10 to 44	22	Monthly	March 20, 2010 to November 06, 2016
(ii)	Standard Chartered Bank	4	4	78.25	199.94	7.40 to 8.23	2 to 3	6 to 7	Quarterly	November 29, 2010 to October 11, 2013
(iii)	Indus Ind Bank Ltd	5	7	235.69	487.00	11.2 to 12	20 to 35	1 to 47	Monthly	April 15, 2010 to January 31, 2016
(iv)	Axis Bank Limited	1	-	43.66	-	10.75	36	-	Monthly	May 01, 2012 to March 01, 2016
(v)	IDBI Bank Limited	-	2	-	7.86	9.35 & 11.75	-	2	Monthly	September 29, 2007 to May 18, 2012
(vi)	Kotak Mahindra Bank	1	1	10.04	23.42	10.63	9	21	Monthly	August 02, 2011 to December 02, 2013

5.5 Term Loans from Others Parties:-

- (i) SREI Equipment Finance Private Limited and L&T Finance Limited
 - Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Construction equipment
- (ii) ICICI Home Finance
 - Secured by hypothecation of assets purchased out of the loan i.e. building purchased with the loan.

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in million)		Interest Range % per annum	Number of outstanding Installments As at		Frequency of Installments	Commencing From- To
		31.03.2013	31.03.2012	31.03.2013	31.03.2012		31.03.2013	31.03.2012		
(i)	SREI Equipment Finance Private Limited	4	7	121.07	453.25	10.09 to 12	6 to 22	10 to 34	Monthly	May 10, 2010 to January 15, 2015
(ii)	L&T Finance Limited	3	2	129.12	8.67	11.46 to 12	40 to 42	1 to 10	Monthly	September 10, 2012 to September 05, 2016
(iii)	ICICI Home Finance	-	1	-	18.64	12	-	104	Monthly	February, 2011

5.6 Vehicle Loans

Vehicle loans are secured by hypothecation of the vehicles financed through the loan arrangements. Such loans are repayable in equal monthly installments over a period of 3 years and carry interest rate ranging between 8.22% to 10.81% per annum.

- 5.7 Pursuant to notification issued by Ministry of Corporate Affairs, vide circular no. 04/2013, dated February 11, 2013, the company during the month of April 2013 has deposited an amount of ₹ 195.00 million in a scheduled bank, with respect of debentures to be redeemed during the year 2013-14.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
6 Deferred Tax Liabilities (Net)		
(i) Deferred Tax Liability on timing difference due to:		
Depreciation	420.12	413.54
(ii) Deferred Tax Asset on timing differences due to:		
Provision for Gratuity and Compensated absences	90.94	74.96
Provision for Doubtful Trade Receivables / Advances	97.97	83.86
Total	188.91	158.82
Deferred Tax Liabilities (Net) (i) - (ii)	231.21	254.72
7 Other Long Term Liabilities		
Retention Money payable	543.37	393.40
Total	543.37	393.40
8 Long Term Provisions		
Provision for Employee Benefits (Refer note 8.1)		
Compensated absences	144.23	147.42
Gratuity	32.30	34.50
Total	176.53	181.92

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

A Defined benefit plans

- (i) Liability for retiring gratuity as on March 31, 2013 is ₹ 97.56 million (31.03.2012: ₹ 93.20 million) of which ₹ 52.40 million (31.03.2012: ₹ 41.77 million) is funded with the Life Insurance Corporation of India. The balance of ₹ 45.16 million (31.03.2012: ₹ 51.43 million) is included in Provision for Gratuity.
- (ii) Details of the company's post-retirement gratuity plans for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors.

Amount to be recognised in Balance Sheet

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
Present Value of Funded Obligations	97.56	93.20
Fair Value of Plan Assets	(52.40)	(41.77)
Net Liability	45.16	51.43

- (iii) Expenses to be recognized in Statement of Profit and Loss.

	Year Ended March 31, 2013	Year Ended March 31, 2012
Current Service Cost	13.78	14.10
Interest on Defined Benefit Obligation	7.46	6.30
Expected Return on Plan assets	(3.42)	(2.54)
Net Actuarial Losses / (Gains) Recognised in Year	(1.94)	0.89
Total included in "Employee Benefits Expense"	15.87	18.75

Notes forming part of the financial statements

(iv) Reconciliation of benefit obligation and plan assets for the year

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	93.20	78.79
Current Service Cost	13.78	14.10
Interest Cost	7.46	6.30
Actuarial Losses / (Gain)	(1.94)	0.88
Benefits Paid	14.93	(7.32)
Closing Defined Benefit Obligation	97.56	93.20
Opening Fair Value of Plan assets	41.77	28.04
Expected Return on Plan Assets	3.42	2.54
Contributions by Employer	22.03	18.45
Benefits Paid	(14.82)	(7.26)
Closing Fair Value of Plan Assets	52.40	41.77
Expected Employer's Contribution Next Year	24.65	26.48

(v) Summary of principal actuarial assumptions

	Year Ended March 31, 2013	Year Ended March 31, 2012
Discount rate (p.a)	8%	8%
The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.		
Expected Rate of Return on Assets (p.a)	9.25%	9.25%
This is based on expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.		
Salary Escalation Rate (p.a)	8%	8%
The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		
Attrition Rate	25%	20%

(vi) Asset information

	As at March 31, 2013	As at March 31, 2012
Category of Assets		
Insurer Managed Funds –Life Insurance Corporation of India	100%	100%
Amount – ₹ in million	52.40	41.77

(vii) Experience Adjustments

	2012-13	2011-12	2010-11	2009-10
Defined Benefit Obligations	97.56	93.20	78.79	48.72
Plan Assets	52.40	41.77	28.04	18.45
Surplus/(Deficit)	(45.16)	(51.43)	(50.75)	(30.27)
Experience Adjustments on Plan Assets	3.42	2.54	2.70	2.62

- B Long term gratuity in respect of employees working with branches outside India is ₹ 0.20 million (31.03.2012: ₹ 0.63 million)
- C The Liability for Cost of Compensated absences is ₹ 192.30 million (31.03.2012: ₹ 184.23 million) has been actuarially determined and provided for in the books.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
9 Short Term Borrowings		
Loans repayable on demand		
Secured Loans - Banks		
Working Capital Demand Loan (Refer note 9.1)	5,761.65	8,233.65
Cash Credit (Refer note 9.1)	5,712.88	374.82
Short Term Loans (Refer note 9.2)	3,500.00	-
Unsecured Loans - Banks		
Short Term Loans (Refer note 9.3)	3,868.07	8,225.00
Commercial Paper (Refer note 9.4)	-	500.00
Less: Unamortized Discount	-	2.92
	-	497.08
Total	18,842.60	17,330.55

- 9.1 Working Capital Demand Loans and Cash Credit facilities availed from consortium of banks are secured by:
- Hypothecation against first charge on stocks, book debts and other current assets of the Company, (excluding specific projects) both present and future, ranking parri passu with consortium banks
 - Hypothecation against first charge on unencumbered fixed assets of the Project Division and Light Engineering Division (excluding Land & Buildings) of the Company rank parri passu with consortium banks.
 - Equitable mortgage of three properties (Land & Buildings).
- 9.2 Secured - Short term loans from Banks:
Collateral security/ First charge on immovable property and second charge on current assets of the company
- 9.3 Unsecured - Short term loans from Banks:
- Includes an amount of ₹ 1,128.07 millions availed from Standard Chartered Bank under retention money discounting facility.
 - The company availed short term loans from various banks during the year having a maturity of less than one year and carry interest rate ranging between 12.50% to 13.05% per annum.
- 9.4 Commercial paper represents ₹ Nil (31.03.2012: ₹ 500.00 million) due within one year. The maximum amount of Commercial paper outstanding at any time during the year was ₹ 1,750.00 million (31.03.2012: ₹ 2,300.00 million).

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
10 Trade Payables (Refer note 10.1)		
Acceptances	2,539.19	2,343.11
Other than Acceptances (Refer note 10.1)	11,450.80	10,081.06
Total	13,989.99	12,424.17
10.1 Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:		
a) Principal amount remaining unpaid	8.84	9.13
b) Interest due thereon	1.85	0.60
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid	1.85	0.60
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-
11 Other Current Liabilities	As at March 31, 2013	As at March 31, 2012
Current maturities of Long Term Borrowings (Refer note 5)	1,691.31	1,783.97
Interest Accrued but not due on borrowings and others	246.58	225.16
Unpaid Dividend Accounts (Refer note 11.1)	5.74	5.75
Other Payables		
Statutory remittances	650.04	692.20
Payables on purchase of Fixed Assets	14.94	32.43
Interest Accrued on Trade Payables (Refer note 10.1)	1.85	0.60
Retention Money Payable	2,551.12	2,261.84
Advances from Customers	8,540.38	8,803.67
Mobilisation Advance	6,994.71	8,501.15
Total	20,696.67	22,306.77
11.1 There are no amounts due for payment to the Investor Education and Protection Fund as at Balance Sheet date.		
12 Short Term Provisions	As at March 31, 2013	As at March 31, 2012
Provision for Employee Benefits (Refer note 8.1)		
Compensated absences	48.07	36.81
Gratuity	13.06	17.56
Provision for Tax (Net of Advance Taxes of ₹ 338.58 million (31.03.2012: ₹ 165.99 million))	245.63	30.99
Provision for proposed Equity Dividend	76.97	76.97
Provision for Tax on proposed Equity Dividend	13.08	12.49
Total	396.81	174.82

Notes forming part of the financial statements

13 Fixed Assets

(₹ in Million)

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION / AMORTIZATION			NET BLOCK			
	As at March 31, 2012	Additions	Deductions /Adjustments (Refer note 36 (iii))	As at March 31, 2013	Upto March 31, 2012	For The Year	Deductions /Adjustments	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
Tangible Assets										
Land - Freehold	97.53	20.07	-	117.60	-	-	-	-	117.60	97.53
(Previous Year)	(96.46)	(41.30)	(40.23)	(97.53)	-	-	-	-	(97.53)	
Buildings										
Own use	119.11	104.02	31.82	191.31	12.99	2.26	0.95	14.30	177.01	106.12
(Previous Year)	(149.55)	(0.93)	(31.37)	(119.11)	(13.59)	(2.83)	(3.43)	(12.99)	(106.12)	
Given under operating lease	362.22	61.15	120.63	302.74	24.04	5.94	11.84	18.14	284.60	338.18
(Previous Year)	(330.85)	-	31.37	(362.22)	(15.22)	(5.39)	3.43	(24.04)	(338.18)	
Plant and Machinery	4,793.41	461.28	185.94	5,068.75	1,000.40	237.23	54.05	1,183.58	3,885.17	3,793.01
(Previous Year)	(4,488.04)	(461.89)	(156.52)	(4,793.41)	(842.77)	(221.19)	(63.56)	(1,000.40)	(3,793.01)	
Furniture and Fixtures	72.85	12.79	27.06	58.58	18.18	4.87	2.46	20.59	37.99	54.67
(Previous Year)	(49.18)	(26.96)	(3.29)	(72.85)	(15.92)	(3.85)	(1.59)	(18.18)	(54.67)	
Construction Vehicles	1,300.41	249.64	4.72	1,545.33	429.14	153.93	1.43	581.64	963.69	871.27
(Previous Year)	(1,250.68)	(87.95)	(38.22)	(1,300.41)	(316.26)	(135.33)	(22.45)	(429.14)	(871.27)	
Office Vehicles	376.14	54.60	18.40	412.34	126.29	36.95	10.08	153.16	259.18	249.85
(Previous Year)	(421.33)	(63.51)	(108.70)	(376.14)	(139.66)	(39.05)	(52.42)	(126.29)	(249.85)	
Office Equipment	295.77	27.13	2.92	319.98	146.70	28.36	2.28	172.78	147.20	149.07
(Previous Year)	(288.22)	(42.93)	(35.38)	(295.77)	(134.48)	(29.40)	(17.18)	(146.70)	(149.07)	
Lease Hold Improvements	408.95	113.21	468.23	53.93	28.60	38.65	66.19	1.06	52.87	380.35
(Previous Year)	(18.87)	(395.56)	(5.48)	(408.95)	(17.60)	(16.43)	(5.43)	(28.60)	(380.35)	
Construction Accessories	2,467.20	448.71	13.97	2,901.94	1,321.91	395.34	12.58	1,704.67	1,197.27	1,145.29
(Previous Year)	(2,118.37)	(383.66)	(34.83)	(2,467.20)	(978.99)	(365.89)	(22.97)	(1,321.91)	(1,145.29)	
Total	10,293.59	1,552.60	873.69	10,972.50	3,108.25	903.53	161.86	3,849.92	7,122.58	7,185.34
Previous Year	(9,211.55)	(1,504.69)	(422.65)	(10,293.59)	(2,474.49)	(819.36)	(185.60)	(3,108.25)	(7,185.34)	-
Intangible Assets										
Computer Software	94.42	7.97	1.80	100.59	21.09	16.69	-	37.78	62.81	73.33
(Previous Year)	(18.91)	(75.51)	-	(94.42)	(10.62)	(10.47)	-	(21.09)	(73.33)	
Total	94.42	7.97	1.80	100.59	21.09	16.69	-	37.78	62.81	73.33
Previous Year	(18.91)	(75.51)	-	(94.42)	(10.62)	(10.47)	-	(21.09)	(73.33)	
Capital Work in Progress									61.24	351.47

13.1 Joint Venture Assets included in Gross Block of ₹ 359.03 million (31.03.2012: ₹ 406.72 million) and Net Block of ₹ 18.09 million (31.03.2012: ₹ 156.23 million).

13.2 Details of Assets acquired under hire purchase agreements

PARTICULARS	GROSS BLOCK (AT COST)			ACCUMULATED DEPRECIATION			NET BLOCK	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Office Vehicles	107.91	93.52	16.81	12.10	91.10	81.42		

13.3 Depreciation / amortization expense

	Year ended	
	March 31, 2013	March 31, 2012
Tangible Assets	903.53	819.36
Intangible Assets	16.69	10.47
Total	920.22	829.83

13.4 Additions for the year includes reclassification of land of ₹ 20.07 million from inventory to fixed assets.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount	Number of Shares	Amount
14 Investments				
14.1 Non Current Investments				
A Trade (Unquoted) (At Cost)				
(i) Investment in equity instruments				
a In Subsidiaries				
In Shares of ₹ 10 each, fully paid up				
NCC Infrastructure Holdings Limited (Refer note 14.3)	146,332,293	5,846.27	146,332,293	5,846.27
NCC Urban Infrastructure Limited (Refer note 14.4)	120,000,000	1,200.00	120,000,000	1,200.00
NCC Vizag Urban Infrastructure Limited	50,000,000	500.00	50,000,000	500.00
OB Infrastructure Limited (Refer note 14.5)	7,548,281	745.78	7,548,281	745.78
Patnitop Ropeway & Resorts Limited	2,255,300	22.56	2,255,300	22.56
Naftogaz Engineering Private Limited	50,000	0.50	50,000	0.50
Himachal Sorang Power Limited (Refer note 14.11)	-	-	3,400	0.03
NCC International Convention Centre Limited	1,000,000	10.00	1,000,000	10.00
NCC Oil & Gas Limited	40,000	0.40	40,000	0.40
Western UP Tollway Limited (Refer note 14.6)	225,000	2.25	225,000	2.25
Vaidehi Avenues Limited	4,510,000	45.10	4,010,000	40.10
In Shares of Omani Rials one each, fully paid up				
Nagarjuna Construction Company International LLC, Oman	5,100,000	611.69	5,100,000	611.69
In Shares of US \$ 10 each, fully paid up				
NCC Infrastructure Holdings Mauritius Pte. Ltd.	2,687,508	1,218.79	2,446,508	1,089.43
In Shares of 'AED' 1000 each, fully paid up				
Nagarjuna Contracting Company Limited, LLC, Dubai (Refer note 14.7)	300	3.44	300	3.44
In Shares of 'Shillings' 100, each fully paid up				
Nagarjuna Construction Company Limited, Kenya	65	-*	65	-*
* (Valued at ₹ 3,250)				
b In Associates				
In Shares of ₹ 10 each, fully paid up				
Jubilee Hills Land Mark Projects Limited	2,500,000	25.00	2,500,000	25.00
Tellapur Techno City Private Limited	14,702,600	147.03	14,702,600	147.03
Paschal Form Work (India) Private Limited	5,668,000	60.32	5,668,000	60.32
In Shares of one USD each fully paid up				
Apollonius Coal and Energy Pte Limited	1,498,757	79.97	1,498,757	79.97
In Shares of 'AED' 1000 each fully paid up				
Nagarjuna Facilities Management Services, LLC, Dubai	147	1.72	147	1.72
c In Jointly controlled entities				
In Shares of ₹ 10 each, fully paid up				
Brindavan Infrastructure Company Limited (Refer note 14.8)	5,899,725	59.00	5,899,725	59.00
Bangalore Elevated Tollway Limited (Refer note 14.9)	80,400	0.80	80,400	0.80
Pondichery Tindivanam Tollway Limited (Refer note 14.10)	1,775,250	168.53	1,775,250	168.53
d In Other entities				
In Shares of ₹ 10 each, fully paid up				
SNP Infrastructures Private Limited	7,620,551	75.82	7,620,551	75.82
SNP Developers and Projects Private Limited	548,113	5.39	548,113	5.39
SNP Ventures Private Limited	3,368,231	33.20	3,368,231	33.20
SNP Property Developers Private Limited	1,700,275	19.47	1,700,275	19.47

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount	Number of Shares	Amount
NAC Infrastructure Equipment Limited	1,499,900	15.00	1,499,900	15.00
In Shares of ₹ 25 each, fully paid up				
Akola Urban Co-operative Bank Limited	4,040	0.10	4,040	0.10
(ii) Investment in preference shares				
In Associates				
2% Redeemable Preference Shares of ₹ 100 each fully paidup				
Jubilee Hills Land Mark Projects Private Limited	4,274,999	427.50	4,274,999	427.50
(iii) Investment in debentures				
In Associates				
Jubilee Hills Land Mark Projects Limited (of ₹ 100 each, fully paid up)	5,092,252	509.23	5,092,252	509.23
Tellapur Techno City Private Limited (of ₹ 1 each, fully paid up)	701,368,092	701.37	701,368,092	701.37
B Trade (Quoted)				
Investment in equity instruments				
In Shares of ₹ 10 each, fully paid up				
NCC Finance Limited [** (Value ₹ 90)]	9	_.**	9	_.**
Total		12,536.23		12,401.90
14.2 Current Investments				
Trade (Unquoted) (At Cost)				
(i) In Other entities				
Himachal Sorang Power Limited (Refer note 14.11)	3,400	0.03	-	-
Total		0.03		-
Aggregate amount of Unquoted Investments		12,536.26		12,401.90
Aggregate market value of Quoted Investments		_.**		_.**

** Market value of ₹ 7.74 (31.03.2012: ₹ 15.03)

- 14.3 Of these 25,661,000 (31.03.2012: Nil) equity shares aggregating in value to ₹ 256.60 million (31.03.2012: ₹ Nil) have been pledged with State Bank of India.
- 14.4 Of these Nil (31.03.2012: 36,000,000) equity shares aggregating ₹ Nil (31.03.2012: ₹ 360.00 million) have been pledged to Bank of India for the term loan availed by NCC Urban Infrastructure Limited. Further shares to the extent of Nil (31.03.2012: 83,400,000) aggregating in value to ₹ Nil (31.03.2012: ₹ 834 million) are subject to non-disposal undertaking furnished and under lien with the bank.
- 14.5 The shares are subject to non -disposal undertaking furnished in favour of consortium of bankers for term loans availed by OB Infrastructure Limited.
- 14.6 Of these 224,600 (31.03.2012: 224,600) equity shares aggregating in value to ₹ 2.25 million (31.03.2012: ₹ 2.25 million) have been pledged to the consortium of bankers for the term loan availed by Western UP Tollway Limited.
- 14.7 Of these 153 (31.03.2012: 153) equity shares are held by the joint venture partner under trust for NCC Limited.
- 14.8 Of these 5,624,725 (31.03.2012: 5,624,725) equity shares aggregating ₹ 56.25 million (31.03.2012: ₹ 56.25 million) have been pledged in favor of Infrastructure Development Finance Company Limited for the term loan availed by Brindavan Infrastructure Company Limited.
- 14.9 Of these 40,800 (31.03.2012: 40,800) equity shares aggregating in value to ₹ 0.40 million (31.03.2012: ₹ 0.40 million) have been pledged to the consortium of bankers for the term loan availed by Bangalore Elevated Tollway Limited.
- 14.10 Of these 523,552 (31.03.2012: 523,552) equity shares aggregating in value to ₹ 52.35 million (31.03.2012: ₹ 52.35 million) have been pledged to IDBI Trustee Ship Services Limited and 1,79,112 (31.03.2012: 1,79,112) equity shares aggregating to ₹ 1.79 million (31.03.2012: ₹ 1.79 million) have been pledged to Axis Bank for the term loan availed by Pondichery Tindivanam Tollway Limited.
- 14.11 Of these 2,652 (31.03.2012: 2,652) equity shares aggregating in value to ₹ 0.02 million (31.03.2012: ₹ 0.02 million) have been pledged with Axis Bank and 748 (31.03.2012: 748) equity shares aggregating in value to ₹ 0.01 million (31.03.2012: ₹ 0.01 million) have been pledged with IDBI Trustee Ship Services Limited for the term loan availed by Himachal Sorang Power Limited.

During the current year, the Company has entered into securities purchase agreement for disposal of these shares, subject to compliance with the various conditions mentioned in the agreement.

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
15 Long Term Loans and Advances				
Unsecured, Considered good				
Capital Advances		1.01		56.62
Deposits with Customers and Others		3.63		13.02
Loans to Related Parties (Refer note 20.1)				
Subsidiary		776.23		600.46
Partnership firm		628.97		-
Share Application Money to subsidiaries and associate		881.87		2,932.68
Advance Taxes and Tax Deducted at Source		913.58		252.56
(Net of Provisions of ₹ 1,348.53 million (31.03.2012: ₹ 1,970.04 million))				
Total		3,205.29		3,855.34
16 Other Non - Current Assets				
Unsecured, Considered good				
Retention Money		1,502.79		1,338.87
Total		1,502.79		1,338.87
17 Inventories				
Raw Materials - at cost or under	4,449.50		4,478.35	
Raw Material in Transit - at cost or under	59.68		8.67	
Work-in-progress - contract rates less profit margin	9,522.29		7,525.23	
Property Development Cost (Refer note 17.1) - at cost or under	232.06		323.00	
Total		14,263.53		12,335.25

17.1 Property and property development cost ₹ 16.55 million (31.03.2012: ₹ 16.55 million) representing the cost of acquisition of land from a land owner, for which the Company holds General Power of Attorney to deal with such land including registration of the sale in the name of the Company.

18 Trade Receivables				
Unsecured				
Outstanding for a period exceeding six months from the date they were due for payment				
Considered Good	3,755.92		3,923.58	
Considered Doubtful	63.47		75.00	
	3,819.39		3,998.58	
Less : Provision for doubtful trade receivables	63.47		75.00	
	3,755.92		3,923.58	
Other Trade receivables				
Considered Good	7,673.60		9,148.69	
Total		11,429.52		13,072.27

Notes forming part of the financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
19 Cash and Bank Balances				
Cash and Cash Equivalents (Refer note 19.4)				
Cash on hand (Refer note 19.1)	11.60		12.64	
Balances with Banks				
In Current Accounts (Refer note 19.2)	639.37		407.99	
In Deposit Accounts with maturity less than 3 months	-		100.00	
		650.97		520.63
Other Bank Balances				
Earmarked balances with Banks				
Unpaid dividend accounts	5.74		5.75	
In Deposit Accounts				
Margin Money Deposits (Refer note 19.3)	38.56		101.42	
Long Term Deposits with maturity more than 3 months and less than 12 months	104.77		18.51	
		149.07		125.68
Total		800.04		646.31

19.1 Cash on hand includes ₹ 0.21 million (31.03.2012: ₹ 0.55 million) held in foreign currency.

19.2 Current account balance includes ₹ 0.16 million (31.03.2012: ₹ 6.08 million) remittance in transit

19.3 Margin Money Deposits have been lodged with Banks against Guarantees issued by them.

19.4 Balances meet the definition of "Cash and Cash Equivalents" as per AS - 3 'Cash Flow Statements'.

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
20 Short Term Loans and Advances				
Secured, considered good				
Loans to Related Parties				
Other Body Corporate (Refer note 20.1 & 20.2)		67.32		66.48
Unsecured, considered good				
Loans to Related Parties (Refer note 20.1)				
Subsidiaries	6,260.43		5,370.35	
Associates	70.74		70.76	
		6,331.17		5,441.11
Loan to Other Body Corporate		196.00		196.00
Loans and Advances to Employees		101.40		63.32
Prepaid Expenses		274.75		126.57
Balances with Government Authorities				
Advance for Sales Tax / Value Added Tax credit receivable		2,597.59		2,258.43
Service Tax credit receivable		154.22		105.74
Advances to Suppliers, Sub-contractors and Others (Refer note 20.3)				
Considered Good	9,753.64		11,216.06	
Considered Doubtful	297.10		234.60	
	10,050.74		11,450.66	
Less : Provision for doubtful advances	297.10		234.60	
		9,753.64		11,216.06
Advances recoverable in cash or in kind or for value to be received		733.72		762.22
Advance Taxes and Tax Deducted at Source		916.67		1,152.44
(Net of Provisions of ₹ 193.05 million (31.03.2012: ₹ 215.45 million))				
Total		21,126.48		21,388.37

Notes forming part of the financial statements

20.1 Particulars of Loans and Advances in the nature of loans as required by clause 32 of the Listing Agreement

(₹ in Million)

	As at March 31, 2013	Maximum outstanding during the year (2012-13)	As at March 31, 2012	Maximum outstanding during the year (2011-12)
(i) Subsidiaries				
NCC Urban Infrastructure Limited	4,109.04	4,109.04	3,797.29	3,797.29
NCC Vizag Urban Infrastructure Limited	1,099.29	1,099.29	944.08	944.08
OB Infrastructure Limited	-	-	-	112.25
NCC Infrastructure Mauritius Pte Limited	816.51	816.51	-	-
NCC Power Projects Limited	-	-	628.97	628.97
Western UP Tollway Limited	235.59	235.59	-	-
Nagarjuna Contracting Company LLC	640.78	640.78	600.46	600.46
NCC International LLC, Oman	135.45	135.45	-	-
(ii) Associates				
Jubilee Hills Landmark Projects Private Limited	0.74	0.76	0.76	0.76
Himalayan Green Energy Private Limited.	70.00	70.00	70.00	70.00
(iii) Partnership firm				
NCC Power Project (Sompel)	628.97	628.97	-	-
(iv) Advances in the nature of Loan to company in which Directors are interested and where there is no repayment schedule				
NCC Blue Water Products Limited	67.32	67.32	66.48	66.48
(v) Advances in the nature of Loans where no interest is charged or interest is below section 372A of Companies Act, 1956				
NCC Blue Water Products Limited	67.32	67.32	66.48	66.48

20.2 Secured by equitable mortgage of immovable properties of a body corporate

20.3 Advances to Suppliers, Sub-contractors and others, include ₹ 1,932.70 million (31.03.2012: ₹ 2,737.48 million) representing amounts withheld by contractees and includes advance to subsidiaries and associates ₹ 266.32 million (31.03.2012: ₹ 257.76 million); Jointly Controlled Entities ₹ 0.65 million(31.03.2012: ₹ 0.05 million)

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
21 Other Current Assets		
Retention Money	8,324.04	7,011.64
Deposits with Customers and Others	506.54	596.46
Interest Accrued on Deposits and others	332.58	147.31
Total	9,163.16	7,755.41

Notes forming part of the financial statements

(₹ in Million)

		Year Ended March 31, 2013	Year Ended March 31, 2012
22	Revenue from Operations		
	Income from Contracts and Services	56,594.30	52,484.51
	Other Operating Income	654.88	20.19
	Total	57,249.18	52,504.70
23	Other Income		
	Interest Income on		
	Deposits and Others	25.28	23.96
	Loans and Advances	859.49	753.76
	Income Tax refund	3.24	15.25
	Other Interest	153.64	286.28
	Dividend from long term investment	-	11.25
	Profit on Sale of Long Term Investment	-	12.80
	Net Gain on foreign currency transactions	1.04	5.97
	Other Non-Operating Income		
	Rental Income from operating lease	31.49	32.22
	Profit On Sale of Fixed Assets (Net)	108.00	5.95
	Miscellaneous Income	76.71	58.28
	Total	1,258.89	1,205.72
24	Cost of Materials Consumed		
	Construction Materials, Stores and Spares		
	Opening Stock	4,486.36	3,497.62
	Add : Purchases	22,817.18	22,996.11
		27,303.54	26,493.73
	Less : Closing Stock	4,509.18	4,486.36
	Total	22,794.36	22,007.37
25	Construction Expenses		
	Sub-contractors Work Bills	16,700.59	13,785.73
	Job Work Charges	5,089.63	6,070.33
	Transport Charges	648.67	655.38
	Indirect Taxes		
	Value Added Tax	1,220.55	1,112.44
	Service Tax	633.87	354.29
		1,854.42	1,466.73
	Repairs and Maintenance		
	Machinery	642.81	589.76
	Others	112.60	86.87
		755.41	676.63
	Hire Charges for Machinery and others	1,139.39	853.78
	Power and Fuel	124.60	77.06
	Technical Consultation	215.96	242.07
	Royalties, Seigniorage and Cess	291.84	232.34
	Other Expenses	610.56	572.50
		2,382.35	1,977.75
	Total	27,431.07	24,632.55
26	Changes in Inventories of Work in Progress		
	Opening Balance	7,525.23	5,125.22
	Closing Balance	9,522.29	7,525.23
	Total	(1,997.06)	(2,400.01)

Notes forming part of the financial statements

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
27 Employee Benefits Expense		
Salaries and Other Benefits	2,212.10	2,191.37
Contribution to Provident Fund and Other Funds (Refer note 27.1)	190.98	191.30
Staff Welfare Expenses	23.90	19.20
Total	2,426.98	2,401.87

27.1 Defined contribution plans

The Company made Provident Fund and Superannuation Fund contributions to defined contribution plans 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 ₹ 133.23 million (31.03.2012: ₹ 131.68 million) for Provident Fund contributions and ₹ 39.29 million (31.03.2012: ₹ 35.85 million) for Superannuation Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
28 Finance Costs		
Interest Expense on		
Borrowings		
Debentures	312.66	410.97
Term Loans	1,096.94	1,374.45
Working Capital Demand Loans and Cash Credit	1,764.60	1,236.54
Mobilisation Advance	368.96	381.43
Others	214.97	200.57
	3,758.13	3,603.96
Other Borrowing Costs		
Commission on - Bank Guarantees	175.80	156.71
- Letters of Credit	93.30	46.96
	269.10	203.67
Bank and Other Financial Charges	43.15	32.36
Total	4,070.38	3,839.99
29 Other Expenses		
Rent (Refer note 36)	401.87	439.72
Travelling and Conveyance	334.06	327.19
Office Maintenance	146.38	130.96
Electricity Charges	47.08	56.55
Rates and Taxes	92.13	36.79
Consultation Charges	58.65	94.56
Postage, Telegrams and Telephones	46.33	49.32
Insurance	55.76	46.67
Printing and Stationery	31.34	34.54
Legal and Professional Charges	59.10	74.43
Auditors' Remuneration (Refer note below)	13.38	13.33
Directors' Sitting Fees	0.75	0.55
Trade Receivables / Advances Written off	420.40	267.06
Provision for Doubtful Trade Receivables / Advances	70.00	166.10
Miscellaneous Expenses	107.67	131.87
Total	1,884.90	1,869.64

Notes forming part of the financial statements

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Note Auditors' Remuneration		
(Excluding service tax and education cess thereon)		
Statutory Audit fee	12.62	12.62
Tax Audit fee	0.59	0.59
Certification fee	0.17	0.12
Total	13.38	13.33
29A Tax Expense		
Current Tax (includes prior year's tax: ₹ 95.82 million (31.03.2012: ₹ Nil))	374.07	222.24
Deferred Tax	(23.51)	(52.88)
Total	350.56	169.36

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
30 Contingent Liabilities and Commitments		
(i) Contingent Liability		
(a) Claims against the company not acknowledged as debt		
- Disputed sales tax liability for which the Company preferred appeal	1,144.37	687.18
- Disputed central excise duty relating to clearance of goods of LED division in favour of Developers of SEZ, for which the Company has filed an appeal to CESTAT, Bangalore	5.73	1.17
- Disputed service tax liability for which the Company preferred appeal	1,116.74	405.77
- Disputed Income tax liability for which the Company preferred appeal (Net off Tax Deduction at Source certificates and interest thereon submitted to the Tax Authorities)	98.11	-
- Disputed sole arbitrator award in case of counter claim by Bhartiya Reserve Bank Note Mudran Private Limited, against which the Company has filed appeal before City Civil Court, Bangalore	30.00	30.00
- Others	236.76	9.78
- Joint and several liability in respect of joint venture projects and liquidated damages in respect of delays in completion of projects	Amount not ascertainable	Amount not ascertainable
- Levy of labour cess @ 1% (w.e.f. July 2007) on the construction contracts executed by the Company in the State of Andhra Pradesh contested before the Hon'ble High Court of Andhra Pradesh	Amount not ascertainable	Amount not ascertainable
(b) Guarantees		
Counter Guarantees and Letter of Credits given to the Bankers *	1,429.98	669.63
Performance guarantees, given on behalf of Subsidiaries *	465.32	349.09
Corporate Guarantees given to Banks for financial assistance extended to Subsidiaries.	13,655.55	14,649.60
* Excludes Guarantees given against Company's liabilities, in terms of Guidance Note on Revised Schedule VI, issued by the Institute of Chartered Accountants of India.		
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 1.01 million (31.03.2012: ₹ 56.62 million)]		
Tangible	61.97	132.53
Intangible	-	2.18
(b) Other commitments		
Commitment towards investment in companies	4,417.23	3,420.66
[net of advances ₹ 21,421.31 million (31.03.2012: ₹ 21,646.45 million)]		
Future Export commitments on account of import of machinery and equipments at concessional rate of duty under EPCG scheme	517.90	517.90

Notes forming part of the financial statements

31 Related Party Transactions

i) Following is the list of related parties and relationships:

S. No	Particulars	S.No	Particulars
A) Subsidiaries		58	SDB-NCC-NEC
1	NCC Infrastructure Holdings Limited	59	NCC-PNC
2	NCC Urban Infrastructure Limited	60	NCC - SJRIPL
3	NCC Vizag Urban Infrastructure Limited	61	NCC - MSKEL
4	Nagarjuna Construction Co.Ltd and Partners LLC	D) Associates	
5	OB Infrastructure Limited	62	Paschal Form Work (I) Private Limited
6	NCC Infrastructure Holdings Mauritius Pte. Limited	63	Nagarjuna Facilities Management Services LLC
7	Nagarjuna Construction Company International LLC	64	Himalayan Green Energy Private Limited
8	Nagarjuna Contracting Co.LLC	65	Jubilee Hills Landmark Projects Private Limited
9	Patnitop Ropeway and Resorts Limited	66	Tellapur Technocity (Mauritius)
10	Western UP Tollway Limited	67	Tellapur Technocity Private Limited
11	Vaidehi Avenues Limited	68	Apollonius Coal and Energy Pte.Ltd.
12	NCC International Convention Centre Limited	69	NCC Power Projects Limited
13	NCC Oil & Gas Limited	E) Partnership Firm	
14	Nagarjuna Construction Company (Kenya) Limited	70	NCC Power Project (Sompeta)
15	Naftogaz Engineering Private Limited	F) Key Management Personnel	
B) Step-Down Subsidiaries		71	Sri AAV Ranga Raju
16	Liquidity Limited	72	Sri ASN Raju
17	Dhatri Developers & Projects Private Limited	73	Sri AGK Raju
18	Sushanti Avenues Private Limited	74	Sri AVN Raju
19	Sushruta Real Estates Private Limited	75	Sri NR Alluri
20	PRG Estates Private Limited	76	Sri AKHS Ramaraju
21	Thrilekya Real Estates Private Limited	77	Sri JV Ranga Raju
22	Varma Infrastructure Private Limited	G) Relatives of Key Management Personnel	
23	Nandyala Real Estates Private Limited	78	Dr AVS Raju
24	Kedarnath Real Estates Private Limited	79	Smt. A.Bharathi
25	AKHS Homes Private Limited	80	Smt.B.Kausalya
26	JJC Homes Private Limited	81	Smt.A.Satyanarayanamma
27	Sushanthi Housing Private Limited	82	Smt.J.Sridevi
28	CSVs Property Developers Private Limited	83	Smt. Sowjanya
29	Vera Avenues Private Limited	84	Smt. A.Arundathi
30	Sri Raga Nivas Property Developers Private Limited	85	Sri. A. Srinivasa Rama Raju
31	VSN Property Developers Private Limited	86	Smt. A.Swetha
32	M A Property Developers Private Limited	87	Smt.A. Sridevi
33	Vara Infrastructure Private Limited	88	Sri. Jampanna Krishna Chaitanya Varma
34	Sri Raga Nivas Ventures Private Limited	89	Smt. A. Subhadra Jyothirmayi
35	Mallelavanam Property Developers Private Limited	90	Smt. A.Shyama
36	Sradha Real Estates Private Limited	91	Smt. A.Suguna
37	Siripada Homes Private Limited	92	Sri. A. Harsha Varma
38	NJC Avenues Private Limited	H) Enterprises owned or significantly influenced by key management personnel or their relatives	
39	NCC Urban Lanka (Private) Limited.	93	NCC Blue Water Products Limited
40	"Himachal Sorang Power Limited (Upto December 10, 2012)	94	Swetha Estates
41	Al Mubarakia Contracting Company LLC	95	NCC Finance Limited
42	NCC International Kuwait LLC	96	Sirisha Memorial Charitable Trust
43	Samashti Gas Energy Limited	97	Shyamala Agro Farms Private Limited
44	NCC Infra Limited	98	Ranga Agri Impex Private Limited
45	NCC Urban Homes Pvt Ltd	99	NCC Foundation
46	NCC Urban Ventures Pvt. Ltd	100	Sirisha Projects Private Limited
47	NCC Urban Meadows Pvt Ltd	101	Ruthvik Estates Private Limited
48	NCC Urban Villas Pvt Ltd	102	Narasimha Developers Private Limited
49	Nagarjuna Suites Pvt Ltd	103	Mihika Agro Farms Private Limited
C) Joint Ventures		104	Lalit Agro Farms Private Limited
50	Brindavan Infrastructure Company Limited	105	Bhuvanesh Realtors Private Limited
51	Bangalore Elevated Tollway Limited	106	Arnesh Ventures Private Limited
52	Pondicherry Tindivanam Tollway Limited	107	Suguna Estates Private Limited
53	Varapradha Real Estates Private Limited	108	AVSR Holdings Private Limited
54	NCC - Himachal		
55	NCC - NEC - Maytas		
56	NCC - VEE		
57	Premco - NCC		

Notes forming part of the financial statements

ii) Related Party transactions during the year ended March 31, 2013 are as follows:

(₹ in Million)

Sl. No	Particulars	Subsidiaries	Associates	Joint ventures	Partnership firm	Key management personnel and relatives	Enterprises owned and significantly influenced by key management personnel or their relatives
1	Share Application Money paid / (Refund)	(2,068.30) 2,926.16	17.50 -	- -	- -	- -	- -
2	Investments	129.37 160.28	- 79.97	- -	- -	- -	- -
3	Loans granted	1,913.30 731.10	0.40 -	- -	- -	- -	0.85 16.68
4	Loan Repayment Received	254.97 240.10	0.40 -	- -	- -	- -	- -
5	Advances granted / (received)	7.82 34.35	7.92 8.43	0.59 (0.12)	- -	- -	- -
6	Buy back of shares by JCE	- -	- -	- 16.00	- -	- -	- -
7	Share of Profit/ (Loss)	- -	- -	9.15 38.67	- -	- -	- -
8	Works Contract Receipt	2.61 407.10	4,140.08 -	31.14 128.20	- -	- -	- -
9	Other Operating Income	0.16 15.07	- -	- -	- -	- -	- -
10	Interest Income	734.25 635.09	138.53 51.36	- -	- -	- -	- -
11	Profit on sale of Fixed Assets	- 11.24	- -	- -	- -	- -	- -
12	Sub-Contractors work bills	- 34.47	- -	- -	- -	- -	- -
13	Remuneration (Including commission)	- -	- -	- -	- -	106.93 74.68	- -
14	Rent paid/ (received)	(0.53) (0.53)	- -	- -	- -	- 2.82	136.52 163.69
15	Hire charges paid	0.29 12.02	- -	- -	- -	- -	- -
16	Dividend paid	- -	- -	- -	- -	10.00 32.09	5.68 17.97
17	Purchase /(Sale) of Fixed Assets	- -	- -	- -	- -	- -	- -
18	Donations	- -	- -	- -	- -	- -	1.11 14.61
19	Performance Guarantee	465.32 1,479.66	- -	- -	- -	- -	- -
20	Corporate Guarantees	13,655.55 14,649.60	- -	- -	- -	- -	- -
21	Counter Guarantees and Letter of Credits	1,429.98 669.63	- -	- -	- -	- -	- -
22	Debit Balances outstanding as at March 31, 2013						
	NCC Urban Infrastructure Limited	4,239.20 4,006.59	- -	- -	- -	- -	- -
	NCC Vizag Urban Infrastructure Limited	1,099.30 944.08	- -	- -	- -	- -	- -
	NCC Infrastructure Holdings Mauritius Pte.Limited	846.40 80.95	- -	- -	- -	- -	- -

Notes forming part of the financial statements

ii) Related Party transactions during the year ended March 31, 2013 (Contd.)

(` in Million)

Sl. No	Particulars	Subsidiaries	Associates	Joint ventures	Partnership firm	Key management personnel and relatives	Enterprises owned and significantly influenced by key management personnel or their relatives
	Nagarjuna Contracting Company LLC	715.31 607.38	- -	- -	- -	- -	- -
	Nagarjuna Construction Company & Partners LLC	2.85 2.67	- -	- -	- -	- -	- -
	Nagarjuna Construction Company International LLC	245.79 88.98	- -	- -	- -	- -	- -
	NCC International Convention Centre Limited	46.48 45.09	- -	- -	- -	- -	- -
	NCC Infrastructure Holdings Limited	859.62 2,927.92	- -	- -	- -	- -	- -
	Western UP Tollway Limited	242.42 242.53	- -	- -	- -	- -	- -
	OB Infrastructure Limited	67.48 118.29	- -	- -	- -	- -	- -
	Vaidehi Avenues Limited	0.15 1.02	- -	- -	- -	- -	- -
	Himalayan Green Energy Private Limited	- -	95.31 87.37	- -	- -	- -	- -
	NCC Power Projects Limited	- -	412.60 628.97	- -	- -	- -	- -
	Jubilee Hills Landmark Projects Private Limited	- -	142.25 92.34	- -	- -	- -	- -
	Tellapur Technocity Private Limited	- -	22.26 36.51	- -	- -	- -	- -
	Paschal Form Work (I) Private Limited	- -	0.12 0.12	- -	- -	- -	- -
	Bangalore Elevated Tollway Limited	- -	- -	6.35 190.61	- -	- -	- -
	Brindavan Infrastructure Company Limited	- -	- -	0.57 0.05	- -	- -	- -
	Pondicherry Tindivanam Tollway Limited	- -	- -	145.06 115.55	- -	- -	- -
	NCC Power Project (Sompeta)	- -	- -	- -	708.74 -	- -	- -
	NCC Blue Water Products Limited	- -	- -	- -	- -	- -	67.32 66.48
23	Credit Balances outstanding as at March 31, 2013						
	Nagarjuna Facilities Management Services LLC	- -	2.17 2.04	- -	- -	- -	- -
	NCC Power Projects Limited	- -	7,529.12 -	- -	- -	- -	- -

Figures in italics represent previous year's figures

Notes forming part of the financial statements

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

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
Particulars		
Share Application Money pending allotment		
- NCC Infrastructure Holdings Limited	(2,068.30)	2,926.16
- Tellapur Technocity (P) Limited	17.50	-
Investments		
- NCC Infrastructure Holdings Limited	-	120.18
- Vaidehi Avenues Limited	-	40.10
- Apollonius Coal and Energy Pte.Ltd.	-	79.97
- NCC Infrastructure Holdings Mauritius Pte. Limited	129.37	-
Loans Granted		
- NCC Urban Infrastructure Limited	566.73	523.16
- NCC Vizag Urban Infrastructure Limited	-	124.90
- NCC Power Projects Limited	0.40	83.04
- NCC Infrastructure Holdings Mauritius Pte. Limited	819.95	-
- Western UP Tollway Limited	235.59	-
- NCC Blue Water Products Limited	0.85	-
Loan Repayment Received		
- NCC Power Projects Limited	0.40	57.84
- NCC Urban Infrastructure Limited	254.97	70.00
- OB Infrastructure Limited	-	112.26
Advances granted / (Received)		
- Nagarjuna Contracting Company LLC	67.51	6.91
- NCC Infrastructure Holdings Mauritius Pte. Limited	(80.95)	9.96
- NCC International LLC Oman	21.37	16.36
- NCC Urban Infrastructure Limited	(1.00)	-
- NCC International Convention Centre Limited	1.40	-
- Vaidehi Avenues Limited	(0.87)	-
- Bangalore Elevated Tollway Limited	0.08	-
- Brindavan Infrastructure Company Limited	0.52	-
- Himalayan Green Energy Private Limited	7.94	8.13
Share of Profit / (Loss)		
- NCC-VEE JV	9.37	38.67
Work Contract Receipts		
- NCC Power Projects Limited	4,140.08	-
- OB Infrastructure Limited	2.61	402.62
- Bangalore Elevated Tollway Limited	0.43	6.78
- Western UP Tollway Limited	-	4.48
- Pondicherry Tindivanam Tollway Limited	30.17	121.43
Other Operating Income		
- NCC International LLC Oman	0.16	15.07
Interest Income		
- Jubilee Hills Landmark Projects Private Limited	49.94	42.32
- Himalayan Green Energy Private Limited	8.82	9.04
- NCC Urban Infrastructure Limited	481.00	427.55
- NCC Vizag Urban Infrastructure Limited	142.84	123.77
- NCC Power Projects Limited	79.77	78.37
- OB Infrastructure Limited	-	5.40
- Nagarjuna Contracting Company LLC	67.12	-
Profit on Sale of Assets		
- Nagarjuna Construction Company International LLC	-	11.24
Sub Contract work bills		
- NCC Urban Infrastructure Limited	-	34.47
Rent paid/ (Received)		
- Swetha Estates	-	3.66
- Sirisha Projects Private Limited	14.90	54.60
- Ruthvik Estates Private Limited	14.90	-
- Narasimha Developers Private Limited	14.90	-
- Mihika Agro Farms Private Limited	14.90	-
- Lalit Agro Farms Private Limited	14.90	-

Notes forming part of the financial statements

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year. (Contd.)

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
- Bhuvanesh Realtors Private Limited	14.90	-
- Arnesh Ventures Private Limited	14.90	-
- Suguna Estates Private Limited	14.90	-
- Shyamala Agro Farms Private Limited	17.02	-
- NCC Urban Infrastructure Limited	(0.53)	-
Hire charges paid		
- Nagarjuna Construction Company International LLC	0.29	12.02
Dividend paid		
- AVSR Holdings Private Limited	5.39	17.97
- Dr AVS Raju	1.19	3.96
- Sri AAV Ranga Raju	1.78	5.93
- Sri ASN Raju	1.20	3.99
- Sri AGK Raju	1.20	3.93
- Sri AVN Raju	1.11	3.69
- Sri NR Alluri	1.23	4.09
Remuneration (Including commission)		
- Sri AAV Ranga Raju	31.52	21.03
- Sri ASN Raju	16.10	10.80
- Sri AGK Raju	16.11	10.76
- Sri AVN Raju	15.27	9.90
- Sri JV Ranga Raju	18.23	18.24
Donations		
- NCC Foundation	1.11	14.61
Performance Guarantee		
- NCC Power Projects Limited	-	1,440.00
- Nagarjuna Contracting Co. LLC	-	39.66
- NCC Infrastructure Holdings Limited	462.82	-
Corporate Guarantees		
- Nagarjuna Construction Company International LLC	8,645.82	8,751.20
- Nagarjuna Contracting Co. LLC	4,005.17	3,953.29
- NCC Infrastructure Holdings Mauritius Pte. Limited	1,004.55	1,704.81
Counter Guarantees and Letter of Credits		
- NCC Infrastructure Holdings Limited	746.72	-
- NCC Power Projects Limited	79.90	180.00
- NCC Urban Infrastructure Limited	87.95	-
- NCC Infrastructure Holdings Mauritius Pte. Limited	488.70	-
- Nagarjuna Construction Company International LLC	-	489.63

32 The Company's interest in Jointly Controlled Entities as on March 31, 2013 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Jointly Controlled Entities as on March 31, 2013 are given below:

(₹ in Million)

Name of the Company	NCCL %	Subsidiary Company %	Assets	Liabilities	Contingent Liabilities	Income	Expenditure
Bangalore Elevated Tollway Ltd.	0.37%	37.63%	3,415.84	3,415.84	16.27	334.80	444.50
(Previous Year)	(0.37%)	(37.63%)	(3,482.42)	(3,482.42)	(11.85)	(270.07)	(302.43)
Brindavan Infrastructure Co. Ltd.	33.33%	-	344.08	344.08	-	199.89	172.61
(Previous Year)	(33.33%)	-	(435.02)	(435.02)	-	(199.81)	(151.32)
Pondicherry Tindivanam Tollway Ltd.	25.04%	22.76%	1,709.42	1,709.42	-	59.93	171.66
(Previous Year)	(25.04%)	(22.76%)	(1,727.95)	(1,727.95)	-	(17.98)	(51.55)

Figures in brackets represents previous year figures

Notes forming part of the financial statements

33 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Accounting Standard – 17. During the year under report, substantial part of the Company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. The Company's operations outside India do not qualify as reportable segments as the operations are not material.

34 Earnings per share

	Year Ended March 31, 2013	Year Ended March 31, 2012
Net Profit after tax available for equity shareholders (₹ in million)	626.66	359.82
Weighted Average number of equity shares for Basic EPS (Nos)	256,583,810	256,583,810
Weighted Average number of equity shares for Diluted EPS (Nos)	256,583,810	256,583,810
Face value per share (₹)	2.00	2.00
Basic & Diluted EPS * (₹)	2.44	1.40

*The Company has no dilutive instruments during the year ended March 31, 2013. As such Diluted Earnings per share equals to Basic Earnings per share

35 Disclosure pursuant to Accounting Standard – 7 "Construction Contracts"

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Contract revenue recognised as revenue in the year	56,594.30	52,484.51
Aggregate of contract costs incurred and recognised profits (less recognised losses) up to the reporting date for contracts in progress	228,102.86	195,317.49
Amount of advances received for contracts in progress	14,392.70	15,909.84
Amount of retention money for contracts in progress	9,826.83	8,350.51
Gross amount due from customers for contract work	11,457.80	13,147.27

36 Leases

- Rental expenses of ₹ 400.72 million (31.03.2012: ₹ 439.72 million) has been charged to Statement of Profit and Loss in respect of cancellable operating lease.
- The Company has entered into Operating Lease arrangement for certain equipments. The lease is non-cancellable for a period of 5 years from March 28, 2013 to March 27, 2018.

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Future Minimum Lease Payments		
Not later than one year	130.93	-
Later than one year and not later than five years	523.70	-
Later than five years	-	-
Total	654.63	-
Lease payments recognised in the statement of Profit and Loss	1.15	-

- Deductions / Adjustments to include certain assets sold and taken on operating lease by the company during the current year aggregating to ₹ 557.15 million. The resultant profit of ₹ 0.29 million on such sale has been recognized in Statement of Profit and Loss. The applicable lease rents, pursuant to the arrangement has been charged to Statement of Profit and Loss.

Notes forming part of the financial statements

37 Expenditure / Remittance in Foreign Currency

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
On account of Travel	5.82	2.88
Other Services	9.44	0.56
Total	15.26	3.44

38 Remittance in foreign currencies for dividend

The company has not remitted any amount in foreign currencies on account of dividends. The particulars of dividend paid in Indian rupees to non resident shareholders during the year ended March 31, 2013 are as under:

	Year Ended March 31, 2013	Year Ended March 31, 2012
a) Number of non-resident shareholders	1,145	1,107
b) Number of equity shares held by them	1,732,624	1,341,365
c) i) Amount of dividend paid (Gross) (₹ in million)	0.52	1.34
ii) Year to which dividend relates	2011-12	2010-11

39 Value of imports calculated on CIF basis

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Material Purchases	89.22	41.82
Capital Goods	191.72	66.49
Total	280.94	108.31

40 Consumption of Materials, Stores and Spares

(₹ in Million)

	Year Ended March 31, 2013		Year Ended March 31, 2012	
	Qty. (Nos.)	Value	Qty. (Nos.)	Value
Value of Imported and Indigenous material consumed and % of each to total consumption				
Construction Materials				
Imported	0.39%	89.22	0.19%	41.82
Indigenous	99.61%	22,502.75	99.81%	21,804.28
Stores & Spares				
Imported	-	-	-	-
Indigenous	100%	202.39	100%	161.27
Total		22,794.36		22,007.37

Notes forming part of the financial statements

41 Derivative Instruments

- (i) The following derivative positions are open as at March 31, 2013. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may / may not qualify or be designated as hedging instruments. Cross currency Swap Contracts (being derivative instruments), which are not intended for trading or speculative purposes but for the hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables.

(₹ in Million)

Particulars	As at March 31, 2013		As at March 31, 2012	
	US Dollar Equivalent	INR Equivalent	US Dollar Equivalent	INR Equivalent
Amount in FC (Buy / Sell) - Buy	1.71	78.25	4.37	199.94

- (ii) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(₹ in Million)

Particulars	As at March 31, 2013		As at March 31, 2012	
	US Dollar Equivalent	INR Equivalent	US Dollar Equivalent	INR Equivalent
Amounts receivable in foreign currency on account of the following:				
Loans receivable	29.88	1,622.74	11.80	600.46
Advances receivable	3.46	187.62	3.53	179.51
Amounts payable in foreign currency on account of the following:				
Foreign Currency Loan	-	-	-	-
Trade payables	0.04	2.17	0.04	2.04

- 42 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification/ disclosure.

For and on behalf of the Board

R.S. RAJU
Sr. Vice President (F&A)

A.A.V. RANGA RAJU
Managing Director

M.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)

A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

To The Board of Directors
NCC Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of NCC Limited (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment

of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

The consolidated financial statements include the unaudited financial statements of one subsidiary, one jointly controlled entity and a partnership firm (March 31, 2012: three subsidiaries and one jointly controlled entity and a partnership firm), whose financial statements reflect total assets (net) of ₹ 585.35 million as at March 31, 2013 (March 31, 2012: ₹ 769.08 million), total revenue of ₹ 2.46 million (March 31, 2012: ₹ 33.31 million) and net cash flows amounting to ₹ 0.82 million (March 31, 2012: ₹ 72.18 million) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 51.26 million for the year ended March 31, 2013, as considered in the consolidated financial statements, in respect of two associates (March 31, 2012: ₹ 109.66 million of two associates), based on their unaudited financial statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements.

Independent Auditors' Report (Contd.)

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements of four subsidiaries and three jointly controlled entities, whose financial statements reflect total assets (net) of ₹ 25,464.44 million as at March 31, 2013, total revenues of ₹ 9,010.75 million and net cash flows amounting to ₹ 836.35 million for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net loss of ₹ 0.22 million for the year ended March 31, 2013, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **M. Bhaskara Rao & Co.**
Chartered Accountants
(Registration No.000459S)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 008072S)

M V Ramana Murthy
Partner
Membership No. 206439

Ganesh Balakrishnan
Partner
Membership No. 201193

Hyderabad, May 22, 2013

Consolidated Balance Sheet as at March 31, 2013

(₹ in Million)

	Note	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	513.17	513.17
Reserves and Surplus	4	26,452.94	26,679.43
		26,966.11	27,192.60
Minority Interest		1,488.52	4,878.14
Non Current Liabilities			
Long Term Borrowings	5	13,297.51	27,366.11
Deferred Tax Liabilities (Net)	6	231.22	256.10
Other Long Term Liabilities	7	594.72	502.76
Long Term Provisions	8	422.83	321.42
		14,546.28	28,446.39
Current Liabilities			
Short Term Borrowings			
Trade Payables	10	18,249.85	16,242.18
Other Current Liabilities	11	26,724.93	20,842.99
Short Term Provisions	12	835.09	275.52
		68,897.95	60,173.92
Total		111,898.86	120,691.05
ASSETS			
Non Current Assets			
Fixed Assets	13		
Tangible Assets		10,669.89	12,074.20
Intangible Assets		17,127.77	18,680.79
Capital Work in Progress		69.61	9,407.73
Goodwill on Consolidation		294.01	348.63
Non Current Investments	14.1	6,256.80	3,412.17
Deferred Tax Assets (Net)	6	0.53	-
Long Term Loans and Advances	15	3,326.22	2,611.89
Other Non Current Assets	16	1,519.89	1,309.30
		39,264.72	47,844.71
Current Assets			
Current Investments	14.2	454.30	203.41
Inventories	17	21,961.25	20,570.76
Trade Receivables	18	14,075.58	16,940.88
Cash and Bank Balances	19	2,494.23	2,407.84
Short Term Loans and Advances	20	21,319.50	22,283.16
Other Current Assets	21	12,329.28	10,440.29
		72,634.14	72,846.34
Total		111,898.86	120,691.05
Corporate information and Significant accounting policies	1 & 2		

See accompanying notes forming part of the financial statements

In terms of our report attached

For M BHASKARA RAO & CO.
Chartered AccountantsM.V. RAMANA MURTHY
PartnerFor DELOITTE HASKINS & SELLS
Chartered AccountantsGANESH BALAKRISHNAN
Partner

For and on behalf of the Board

R.S. RAJU
Sr. Vice President (F&A)A.A.V. RANGA RAJU
Managing DirectorM.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)
Hyderabad, May 22, 2013A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Statement of Consolidated Profit And Loss for the year ended March 31, 2013

(₹ in Million)

	Note	Year ended March 31, 2013		Year ended March 31, 2012	
REVENUE					
Revenue from Operations	22	69,683.62		66,651.57	
Other Income	23	909.77		1,017.39	
Total Revenue			70,593.39		67,668.96
EXPENSES					
Cost of Materials Consumed	24	25,419.45		24,858.54	
Construction Expenses	25	31,408.29		28,712.86	
Changes in Inventories of Work in Progress	26	(1,490.91)		(2,255.84)	
Employee Benefits Expense	27	3,692.93		3,736.70	
Finance Costs	28	5,950.85		6,449.94	
Depreciation and Amortization Expense	13.3	2,284.08		2,644.51	
Other Expenses	29	2,427.27		2,623.31	
Total Expenses			69,691.96		66,770.02
Profit Before Tax			901.43		898.94
Tax Expense	29A		381.28		218.81
Profit After Tax Before Minority Interest			520.15		680.13
Share of (Profit) / Loss transferred to Minority Interest			111.38		(13.35)
Profit After Tax After Minority Interest			631.53		666.78
Share of Loss from Associate Companies			(67.71)		(117.64)
Consolidated Profit for the year			563.82		549.14
Earnings per equity share of face value of ₹ 2/- each.					
Basic and Diluted - ₹	43		2.20		2.14
Corporate information and Significant accounting policies	1 & 2				

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board

For **M BHASKARA RAO & CO.**
Chartered Accountants

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

M.V. RAMANA MURTHY
Partner

GANESH BALAKRISHNAN
Partner

R.S. RAJU
Sr. Vice President (F&A)

A.A.V. RANGA RAJU
Managing Director

M.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)

A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Hyderabad, May 22, 2013

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ in Million)

	Year ended March 31, 2013	Year ended March 31, 2012
A. Cash flow from operating activities		
Profit before tax	901.43	898.94
Adjustments for:		
Depreciation and amortisation	2,284.08	2,644.51
(Profit) / loss on sale / write off of assets	(68.47)	6.93
Finance costs	5,950.85	6,449.94
Interest income	(618.97)	(840.47)
Dividend income	-	(17.40)
Rental income from operating leases	(30.97)	(31.70)
Exchange difference on translation of foreign currency balances	33.11	54.30
	7,549.63	8,266.11
Operating profit before working capital changes	8,451.06	9,165.05
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,390.49)	(3,500.74)
Trade receivables	2,844.64	546.41
Short term loans and advances	848.03	(5,541.89)
Long term loans and advances	470.54	(233.14)
Other current assets	(1,703.71)	(3,391.31)
Other non current assets	(188.58)	1,243.99
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	2,007.67	3,726.15
Other current liabilities	5,613.63	837.44
Other long term liabilities	91.96	(986.04)
Short term provisions	352.48	23.85
Long term provisions	101.41	52.16
	9,047.58	(7,223.12)
Cash generated from operations	17,498.64	1,941.93
Income Tax paid (Net)	(639.59)	(1,228.12)
Net cash flow from operating activities (A)	16,859.05	713.81
B. Cash flow from investing activities		
Capital expenditure on fixed assets	(1,102.38)	(7,480.60)
Proceeds from sale of fixed assets	2,589.28	2,141.01
Bank balances not considered as Cash and cash equivalents	(16.76)	421.75
Purchase of Current investments	151.63	(82.96)
Purchase of long term investments	(3.92)	(778.83)
Proceeds from sale of long-term investments	1,183.76	-
Advance sale consideration received	499.54	-
Loans (given) - Associates	(204.28)	(122.58)
Loans (given) / realised - Other Body Corporates	(493.16)	142.47
Interest received	432.34	791.77
Dividend received	-	17.40
Rental income from operating leases	30.97	31.70
Foreign Exchange translation adjustment (arising on consolidation)	209.81	359.25
Net cash flow from / (used in) investing activities (B)	3,276.83	(4,559.62)

Consolidated Cash Flow Statement (Contd.)

(₹ in Million)

	Year ended March 31,2013	Year ended March 31,2012
C. Cash flow from financing activities		
Share Application Money received from Minority Shareholder	-	3,263.27
Debentures - (redeemed)	(1,107.84)	(166.59)
Long term Borrowings - (repaid) / borrowed (net)	(13,243.06)	7,651.46
Short term Borrowings - borrowed / (repaid) /(net)	274.85	(45.94)
Finance Cost	(5,900.05)	(6,424.64)
Dividend and Dividend Tax paid	(89.46)	(299.51)
Net cash flow (used in) / from financing activities (C)	(20,065.56)	3,978.05
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	70.32	132.24
Cash and cash equivalents at the beginning of the year	1,651.83	1,520.19
Effect of exchange differences on translation of foreign currency Cash and cash equivalents	(0.69)	(0.60)
Cash and cash equivalents at the end of the year (Refer note 19)	1,721.46	1,651.83
Note: Figures in brackets represents cash outflows.		

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board

For M BHASKARA RAO & CO.
Chartered AccountantsFor DELOITTE HASKINS & SELLS
Chartered AccountantsM.V. RAMANA MURTHY
PartnerGANESH BALAKRISHNAN
PartnerR.S. RAJU
Sr. Vice President (F&A)A.A.V. RANGA RAJU
Managing DirectorM.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Hyderabad, May 22, 2013

Notes forming part of the Consolidated financial statements

1 Corporate Information

NCC Limited, formerly Nagarjuna Construction Company Limited ("NCCL"/"the Company") was established as a Partnership firm in 1978, which was subsequently converted into a Limited Company in 1990. The shares of the Company, was listed on the stock exchanges in India, in 1992 pursuant to Public offer of equity shares. The Company, its subsidiaries and jointly controlled entities collectively referred to as the "Group" is engaged in the infrastructure sector and is undertaking turn-key EPC contracts as well as BOT projects on Public-Private Partnership basis. The Group's range of verticals comprises of Buildings & Housing, Transportation, Water & Environment, Irrigation, Power, Electrical, Metals, Oil & Gas and International business.

2 Significant accounting policies:

2.1 Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies have been consolidated 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 unrealised profits or losses on intra-group transactions as per Accounting Standard (AS) 21 - "Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- b) Interest in jointly controlled entities have been consolidated by using the 'proportionate consolidation' method as per Accounting Standard (AS) 27 - 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standards) Rules, 2006.
- c) In case of associates where the Company directly or indirectly through its subsidiaries holds more than 20% of equity, Investments in associates are accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- d) The financial statements of the subsidiaries, the jointly controlled entities and the associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2013 except one Associate.
- e) The excess of cost to the Company, of its investment in the subsidiaries and the jointly controlled entities over the Company's share of equity is recognised in the financial statements as Goodwill and tested for impairment annually.
- f) The excess of the Company's share of equity of the subsidiaries and jointly controlled entities on the acquisition date, over its cost of investment is treated as Capital Reserve.
- g) Minority interest in the net assets of the consolidated subsidiaries is identified and presented in consolidated balance sheet separately from current liabilities and equity of the company.
- h) Minority Interest in the net assets of consolidated subsidiaries consists of:
 - i) The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - ii) The minorities' share of movements in the equity since the date the parent subsidiary relationship came into existence.
- i) Minority interest in the net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- j) Intra-group balances and intra-group transactions and resulting unrealised profits/loss has been eliminated.

Notes forming part of the Consolidated financial statements

- k) In case of foreign subsidiaries being non-integral foreign operations, revenue items are consolidated at monthly average of exchange rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in "Foreign Currency Translation Reserve".
- l) 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 to extent possible, in the same manner as the Company's separate financial statements.

2.2 Investments in subsidiaries, jointly controlled entities and associates not considered for consolidation have been accounted as per Accounting Standard (AS) 13- "Accounting for Investments" notified by Companies (Accounting Standards) Rules, 2006.

2.3 Basis of Accounting and preparation of financial statements:

The Consolidated Accounts have been prepared on accrual basis under historical cost convention in accordance with the Generally Accepted Accounting Principles in India and accounting standards prescribed in Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year unless otherwise stated separately herein below.

2.4 Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are 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 periods in which the results are known / materialise.

2.5 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition, less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets upto the date the asset is ready for its intended use and other incidental expenses incurred upto that date.

Depreciation is provided on straight line method / written down value method (in respect of one subsidiary) at the rates prescribed in Schedule XIV of the Companies Act, 1956 except for construction accessories which are depreciated at 20% p.a. based on useful life determined by the Management. Leasehold improvements are amortised over the period of lease. Intangible assets are amortised over a period of five years.

Fixed assets in joint venture operations, which are accounted to the extent of the Company's interest in the venture, are depreciated on Straight Line Method / Written Down Value Method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or at higher rates as stated below:

S.No.	Description	Straight Line Method	Written Down Value Method
1	Plant and Equipment	4.75%	15% - 25%
2	Furniture and Fixtures	6.33%	10% - 20%
3	Office Equipments	4.75%	15% - 25%
4	Computers	16.21%	60%
5	Construction Vehicles	-	15% - 25%
6	Construction Accessories	20%	15% - 25%
7	Office Vehicles	9.50%	15% - 25%

The Cost of Concessionaire Asset of a jointly controlled entity is amortised over the period of 8 years as per the concession agreement entered into with the Public Works Department, Government of Karnataka and Karnataka Road Development Corporation Limited.

Notes forming part of the Consolidated financial statements

The cost in respect of carriageways representing the right to receive annuity in relation to the road project is amortised on straight line basis over the concession period from the date of Commercial Operation.

The cost in respect of carriageways representing the commercial rights to collect toll fee in relation to the road project is amortised based on the proportion of actual revenue received during the accounting year to the total projected revenue till the end of the concession period in terms of Ministry of Corporate Affairs (MCA) notification dated April 17, 2012. Total projected revenue for the entire useful life is reviewed at the end of each financial year for expected changes in Traffic and Toll rates and adjusted to reflect any changes in the estimate which will lead to actual collection at the end of useful life.

Capital Work in Progress: In respect of "Concessionaire Assets" all costs incurred towards construction are accumulated under capital work in progress till the completion of construction.

2.6 Borrowing Costs:

Borrowing Costs that are attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time i.e., more than 12 months to get ready for its intended use. All other borrowing costs are charged to revenue.

2.7 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 asset's 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 recognised 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.

2.8 Investments:

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

2.9 Inventories

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at weighted average cost or under. Cost excludes refundable duties and taxes.

Work in Progress:

- i) Project Division: Work-in-Progress is valued at the contracted rates less profit margin / estimates.
- ii) Light Engineering Division: Work-in-Progress is valued at lower of cost and net realisable value.
- iii) Properties under development are valued at cost or under. Cost comprises all direct development expenditure, administrative expenses and borrowing costs. Land held for resale is valued at lower of cost and net realisable value.
- iv) Real Estate Projects:
 - Completed properties held for sale are stated at the actual cost or net realizable value, whichever is lower.
 - Construction Work-in-progress is valued at cost. Cost is sale value less profit margin.

2.10 Employee Benefits

Liability for employee benefits, both short and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 'Employee Benefits' notified by the Companies (Accounting Standards) Rules, 2006

Notes forming part of the Consolidated financial statements

Defined Benefit Plan

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees.

Liability on account of gratuity is:

- covered partially through a recognised Gratuity Fund managed by Life Insurance Corporation of India and contributions are charged to revenue; and
- balance is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) 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.

In respect of Oman branch employees, end of service benefit is accrued in accordance with terms of employment. Employee entitlements to annual leave and gratuity are recognized on actual basis and charged to Statement of Profit and Loss.

Defined Contribution Plan

iii) Superannuation

The Company makes monthly contribution to an approved superannuation fund covered by a policy with Birla Sunlife Insurance Company Limited. The Company has no further obligation beyond the monthly contribution.

iv) Provident Fund

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

2.11 Revenue Recognition

- i) Project Division: Revenue from construction contracts is recognised by reference to the percentage of completion of the contract activity gross of applicable taxes. The stage of completion is determined by survey of work performed and / or on completion of a physical proportion of the contract work, as the case may be, and acknowledged by the contractee. Future expected loss, if any, is recognised as expenditure.
- ii) Annuity Income: Annuity is recognised on accrual basis in accordance with the provisions of the concession agreement.
- iii) Toll Income: Fee collection from the users of the facility is accounted for as and when the amount is due and recovery is certain. Revenue from sale of passes to local traffic is accounted for as and when such passes are sold.
- iv) Real Estate Project: Revenue from the sale of properties is recognised 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 exists regarding the amount of consideration. However, if at the time of transfer substantial acts are yet to be performed under the contract, revenue is recognised on the basis of percentage completion method, measured on the basis of percentage of actual cost incurred including proportionate land cost bears to the total estimated cost of the project under execution. Revenue comprises the aggregate amount of sale price as per the terms of the agreement entered into with the customers. The recognition is subject to reaching 25% of physical progress measured in terms of estimated cost. The estimate of cost and saleable areas is reviewed periodically by the management and any effect of changes in estimates is recognised in the period of changes. Further, on periodical review if any project is expected to incur loss, the entire loss is recognised immediately.

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.

Notes forming part of the Consolidated financial statements

- v) Management fees: Management fee is accounted on accrual basis in accordance with the terms of the agreement.

2.12 Joint Venture Projects

- i) In respect of Joint Venture Contracts in the nature of jointly controlled operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognised in the agreed proportions under respective heads in the financial statements.
- ii) Assets, Liabilities and Expenditure arising out of contracts executed wholly by the Company pursuant to a joint venture contract are recognised under respective heads in the financial statements. Income from the contract is accounted net of joint venturer's share under turnover in these financial statements.
- iii) Share of turnover attributable to the Company in respect of contracts executed by the other joint venture partners pursuant to Joint Venture Agreement, is accounted under turnover in these financial statements.

2.13 Foreign Exchange Translation and Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

Foreign branches are classified as non-integral foreign operations. Assets and Liabilities (both monetary and non-monetary) are translated at the closing rate at the year end. Income and expenses are translated at the monthly average rate at the end of the respective month. All resulting exchange differences are accumulated in a separate account 'Foreign Currency Translation Reserve' till the disposal of the net investments.

2.14 Leases

The Company's leasing arrangements are mainly in respect of operating leases for premises and construction equipment. The leasing arrangements range from 11 months to 10 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.

2.15 Taxes on Income

- i) Current Tax: Provision for Current Tax is made based on taxable income computed for the year under the applicable tax laws.
- ii) Deferred Taxes: 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 are recognised and carried forward only to the extent that there is a certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised.

2.16 Grants

Equity support received from National Highways Authority of India for meeting capital cost of the project is treated as Capital Reserve.

2.17 Contingency Reserve

The Company transfers to Contingency Reserve out of the Surplus in Statement of Profit and Loss such amounts as the management considers appropriate based on their assessment to meet any contingencies relating to substantial expenditure incurred during the maintenance period of a contract, non-realisation of contract bills earlier recognised as income and claims, if any, lodged by the contractees or by sub-contractors or by any third party against the Company in respect of completed projects for which no specific provision has been made.

Notes forming part of the Consolidated financial statements

2.18 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20, "Earnings Per Share" notified by the Companies (Accounting Standards) Rules, 2006. 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 Shareholders 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.

2.19 Provisions, Contingent Liabilities and Contingent Assets

The Company recognises 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 recognised nor disclosed in the financial statements.

2.20 Cash Flow Statement

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

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.

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
3 Share Capital				
Authorised :				
Equity Shares of ₹ 2/- each	300,000,000	600.00	300,000,000	600.00
Issued :				
Equity Shares of ₹ 2/- each	256,833,810	513.67	256,833,810	513.67
Subscribed and Paid up :				
Equity Shares of ₹ 2/- each	256,583,810	513.17	256,583,810	513.17
Total		513.17		513.17

3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

(₹ in Million)

	Year Ended March 31, 2013		Year Ended March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
Balance at beginning of the year	256,583,810	513.17	256,583,810	513.17
Add: Changes during the year	-	-	-	-
Balance at end of the year	256,583,810	513.17	256,583,810	513.17

3.2 Details of shares held by each shareholder holding more than 5% shares (excluding shares represented by underlying Global Depository Receipts (GDRs))

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	% holding	Number of shares	% holding
Blackstone GPV Capital Partners Mauritius V-A Ltd.	25,399,699	9.90	25,399,699	9.90
Warhol Limited	25,384,700	9.89	25,384,700	9.89
A V S R Holdings Private Limited	17,967,167	7.00	17,967,167	7.00
Smt. Rekha Jhunjhunwala	16,000,000	6.24	10,000,000	3.90
Government Pension Fund Global	2,598,965	1.01	14,321,067	5.58

3.3 Details of unsubscribed equity shares

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of ₹ 2/- each	250,000	0.50	250,000	0.50

3.4 Unclaimed equity shares of 97,265 (31.03.2012: 97,265) are held in "NCC Limited - Unclaimed suspense account " in trust.

3.5 Rights of the share holders

- The equity shares of the company having par value of ₹ 2/- per share, rank pari passu in all respects including voting rights (except GDRs) and entitlement to dividend. Repayment of the capital in the event of winding up of the Company will inter alia be subject to the provisions of Companies Act 1956, the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.
- 39,700 (31.03.2012: 75,750) equity shares represent the shares underlying outstanding GDRs. Each GDR represent one underlying equity share having par value of ₹ 2/-. The GDRs, rank pari passu in all respects with the equity shares issued by the Company, except in respect of voting rights.

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
4 Reserves and Surplus				
Capital Reserve				
Opening balance	1,116.41		556.96	
Add / (Less) : Arising on account of Consolidation	(538.12)		559.45	
Closing balance (Refer Note 45)		578.29		1,116.41
Securities Premium				
Opening balance	15,169.92		15,094.85	
Add : Premium on Debentures issued during the year	-		75.07	
Add / (Less) : Arising on account of Consolidation	(520.57)		-	
Closing balance		14,649.35		15,169.92
Debenture Redemption Reserve				
Opening balance	940.00		750.00	
Add : Transferred from / to Statement of Profit and Loss	(265.00)		190.00	
Closing balance		675.00		940.00
Legal / Statutory Reserve (Refer Note 34)				
Opening balance	127.02		82.68	
Add : Transferred from Surplus in Statement of Profit and Loss	25.11		32.75	
On account of Foreign Currency Fluctuation	8.70		11.59	
Closing balance		160.83		127.02
Reserve Fund under Section 45 - IC of RBI Act, 1934		2.39		2.39
Contingency Reserve		220.00		220.00
Foreign Currency Translation Reserve				
Opening balance	295.61		(105.74)	
Add : Effect of foreign exchange variations during the year	233.54		401.35	
Closing balance		529.15		295.61
General Reserve				
Opening balance	5,021.43		4,971.43	
Add : Transferred from surplus in Statement of Profit and Loss	150.00		50.00	
Closing balance		5,171.43		5,021.43
Surplus in Statement of Profit and Loss				
Opening balance	3,786.65		3,601.54	
Add : Arising on Account of Consolidation (Refer note 41)	116.19		-	
Add : Profit for the year	563.82		549.14	
Transferred from Debenture Redemption Reserve	265.00		-	
	4,731.66		4,150.68	
Less : Appropriations				
Transferred to Debenture Redemption Reserve	-		190.00	
Dividend proposed to be distributed to equity share holders ₹ 0.30 per share (31.03.2012 : ₹ 0.30 per share)	76.97		76.97	
Tax on Dividend	13.08		14.31	
Transferred to General Reserve	150.00		50.00	
Transferred to Legal Reserve	25.11		32.75	
	265.16		364.03	
Closing balance		4,466.50		3,786.65
Total		26,452.94		26,679.43

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Non Current	Current*	Non Current	Current*
5 Long Term Borrowings				
Debentures				
Secured				
11.95% Redeemable, Non-convertible Debentures (Refer note 5.1)	-	500.00	500.00	250.00
10.50% Redeemable, Non-convertible Debentures (Refer note 5.2)	400.00	300.00	700.00	300.00
Unsecured				
9.50% Redeemable, Non-convertible Debentures (Refer note 5.3)	1,000.00	500.00	1,500.00	500.00
Zero coupon Irredeemable, Fully convertible Debentures (Refer note 5.4)	-	-	57.84	-
Term Loans				
Secured				
From Banks and financial Institution(Refer note 5.5)	7,430.54	1,233.98	16,237.57	1,430.66
From Other Parties (Refer note 5.6)	113.52	136.67	4,360.73	457.38
Vehicle Loans				
Secured				
From Banks (Refer note 5.7)	20.64	30.13	27.62	45.04
Other Loans				
Unsecured				
Loans from Related parties (Refer note 5.8)	644.88	-	378.79	-
Share from Jointly Controlled Entities	3,687.93	-	3,603.56	-
Total	13,297.51	2,700.78	27,366.11	2,983.08

* Current maturities are included in Note 11 - Other Current Liabilities

5.1 11.95% Redeemable Non Convertible Debentures

- (i) Debentures numbering to 1,000 having a face value of ₹ 1 million each aggregating to ₹ 1,000 million privately placed with Life Insurance Corporation of India on February 4, 2009. These are secured by first charge created in favour of IDBI Trusteeship Services Limited, trustees to the debenture holders:
 - by way of hypothecation of the Company's movable properties specified in the Schedule-2 of Memorandum of Hypothecation dated April 25, 2009;
 - first charge by way of equitable mortgage by deposit of title deeds of the Company's immovable property situated at Gujarat as specified in first schedule to the Debenture Trust Deed dated April 23, 2009;
 - equitable mortgage by deposit of title deeds of Company's immovable properties situated at Hyderabad, Bangalore, Mumbai and New Delhi as specified in Schedule-A of Declaration and Undertaking dated April 25, 2009.
- (ii) These debentures are to be redeemed at par in 3 installments in the ratio of 25:25:50 commencing at the end of 3rd year from the date of allotment i.e., February 4, 2012 onwards.

5.2 10.50% Redeemable Non Convertible Debentures

- (i) Debentures numbering to 1,000 having a face value of ₹ 1 million each comprising of ten (10) Detachable and Separately Transferable, Redeemable Principal Parts ("STRPPS") aggregating to ₹ 1,000 million privately placed during 2009-10 with various banks and financial institutions. These are secured by first charge created in favour of IDBI Trusteeship Services Limited, trustees to the debenture holders, by way of equitable mortgage of the title deeds in respect of the company's immovable property situated at Kadi Taluka, Mehasana district, Gujarat as specified in the first schedule to the Debenture Trust Deed dated September 15, 2009 and by way of equitable mortgage by deposit of title deeds of the immovable properties of the Company and its subsidiary and its step-down subsidiaries, situated at Hyderabad as specified in Schedule-A to I of Declaration and Undertaking dated October 12, 2009.

Notes forming part of the Consolidated financial statements

- (ii) These debentures are to be redeemed at par in 3 installments in the ratio of 30:30:40 commencing at the end of 3rd year from the date of allotment i.e., July 24, 2012 onwards.

5.3 9.50 % Redeemable Non-Convertible Debentures

- (i) Debentures numbering to 500 having face value of ₹ 4 million each comprising of four (4) Detachable and Separately Transferable Redeemable principal parts ("STRPPS") of face value of ₹ 1 million each aggregating to ₹ 2,000 million privately placed with ICICI Bank Limited.
- (ii) These Debentures are to be redeemed at par in four equated installments commencing at the end of second year from the date of allotment i.e. August 11, 2012 onwards.

5.4 Debentures of Himachal Sorang Power Limited

Zero Coupon Unsecured Irredeemable Fully Convertible Debentures

- (i) Debentures numbering to 13,643,000 having face value of ₹ 10 each carry zero percentage interest and are convertible at the end of two years from the date of the commercial operation date (COD) in the fixed proportion of one debenture per one equity share of the company. These debentures are non transferable till conversion without prior consent of Project lenders.
- (ii) Pursuant to the Resolution passed by the allotment committee of Board of Directors of the Company at their meeting held on September 29, 2011 & on March 14, 2012 and in pursuant to the provisions of Section 292 and other applicable sections of the Companies Act, 1956, the Company has issued and allotted 2,052,041 no of Unsecured, Irredeemable, fully and compulsorily convertible debentures of ₹10 each at a premium of ₹ 90 per debenture. Of these 1,667,941 number of debentures were issued to M/s. NCC Infrastructure Holdings Ltd and 834,100 number of debentures to M/s. ILFS Energy Development Company Ltd.
- (iii) During the current year, the Company ceased to be subsidiary w.e.f. Decmeber 10, 2012, subject to compliance with the various conditions mentioned in the securities purchase agreement (Refer note 36).

5.5 Term Loans from Banks and Financial Institutions

- (i) HDFC Bank , Indus Ind Bank Ltd and IDBI Bank Ltd
 - Secured by hypothecation of specific assets purchased out of the loan, comprising Plant and Machinery
- (ii) Standard Chartered Bank
 - Secured by hypothecation of specific assets, comprising Plant and Machinery
- (iii) Axis Bank Limited and Kotak Mahindra Bank
 - Secured by hypothecation of specific assets purchased out of the loan

Notes forming part of the Consolidated financial statements

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in million)		Interest Range % per annum	Number of outstanding Installments As at		Frequency of Installments	Commencing From- To
		31.03.2013	31.03.2012	31.03.2013	31.03.2012		31.03.2013	31.03.2012		
(i)	HDFC Bank	5	1	45.39	8.20	8.61 to 10.50	10 to 44	22	Monthly	March 20, 2010 to November 06, 2016
(ii)	Standard Chartered Bank	4	4	78.25	199.94	7.40 to 8.23	2 to 3	6 to 7	Quarterly	November 29, 2010 to October 11, 2013
(iii)	Indus Ind Bank Ltd	5	7	235.69	487.00	11.2 to 12	20 to 35	1 to 47	Monthly	April 15, 2010 to January 31, 2016
(iv)	Axis Bank Limited	1	-	43.66	-	10.75	36	-	Monthly	May 01, 2012 to March 01, 2016
(v)	IDBI Bank Limited	-	2	-	7.86	9.35 & 11.75	-	2	Monthly	September 29, 2007 to May 18, 2012
(vi)	Kotak Mahindra Bank	1	1	10.04	23.42	10.63	9	21	Monthly	August 02, 2011 to December 02, 2013

(iv) Loan of OB Infrastructure Limited

- Term loans from banks and financial institutions and secured by First charge by way of:
- Mortgage of all immovable assets of the company, both present and future.
- Hypothecation of movable assets of the company including plant and machinery, machinery spares, equipments, tools, accessories, furniture, fixtures, vehicles, consumable goods, present and future.
- Hypothecation of intangible assets of the company including goodwill, rights, undertakings, uncalled capital, claims and consumables and other general stores, present and future.
- Hypothecation of bookdebts, stocks, bills receivables, commissions, revenues, monies, receipts, bank accounts and other reserves present and future.
- Assignment of right, title, interest, benefits, claims and demands including project documents; clearances (including all contract, licences, permits, approvals, consent in respect of or in connection with project); letters of credit/ guarantees/ performance bonds provided by any party in relation to the project.
- The Term Loans from Banks and financial institutions, as at March 31, 2013 carry 12% per annum interest and are repayable in 14 half yearly installments.
- The company has defaulted in repayment of interest on loans of the following:

Particulars	March 31, 2013		March 31, 2012	
	Period of Default	Amount (₹ in million)	Period of Default	Amount (₹ in million)
a) Term Loans from Banks				
Interest	March 2013	30.61	March, 2012	-
b) Term Loans from financial institutions				
Interest	March 2013	2.90	March, 2012	-

(v) Loan of NCC Infrastructure Holdings Mauritius Pte. Limited

- Term Loan of USD 16.00 million taken from ICICI Bank Ltd., Bahrain branch at an interest rate of USD 3-month LIBOR + 500 bpps and secured by Corporate Guarantee from NCC Limited. This loan is repayable in 8 equal quarterly installments commencing from the end of 15th month from the drawdown date of December 28, 2010.

(vi) Loan of Nagarjuna Construction Company International LLC

Bank of Baroda borrowings are secured either / and - or as:

- First exclusive charge on fixed assets of value OMR 4.40 million only.
- Assignment of Project Receivables
- Corporate guarantees from NCC Limited, India to the extent of OMR 14.124 million.
- The loan is repayable in equal monthly installments of OMR 0.056 million.

Notes forming part of the Consolidated financial statements

(vii) Loan of Western UP Tollway Ltd.

- a) Term Loans from Banks and financial institutions viz. Punjab National bank, Bank of Baroda, Infrastructure Development Finance Company Limited and Infrastructure India Finance Company Limited are secured by:
- first mortgage and charge in a form satisfactory to all the company's immovable properties, present and future except project assets
 - A first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, Furniture, Fixtures, Vehicles and all other movable assets,
 - A first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future
 - A first charge of all intangibles including but not limited to goodwill, uncalled capital, present and future.
 - subject to the provisions of the Concession Agreement, a first charge on the Escrow Account, Debt service reserve, MMR and other reserves
 - A first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum of 51% of the total paid up capital of the company held by the promoter during the currency of the Loan.
- b) As at March 31, 2013, term Loans from banks carry an interest of 10.50% to 14.00% per annum and term loans from financial institutions carry an interest of 9.95% to 12.83% per annum.
- c) The company has defaulted in repayment of loans and interest of the following:

Particulars	March 31, 2013		March 31, 2012	
	Period of Default	Amount (₹ in million)	Period of Default	Amount (₹ in million)
a) Term Loans from Banks				
Principal	March, 2013	14.50	March, 2012	9.88
Interest	January, February & March, 2013	67.62	March, 2012	24.60
b) Term Loans from financial institutions				
Principal	March, 2013	15.79	March, 2012	10.82
Interest	January, February & March, 2013	65.60	February & March, 2012	28.28

Amounts due towards interest as on March, 2013 has been paid to the extent of ₹ 74.9 million till April 25, 2013.

5.6 Term Loans from Others

- (i) SREI Equipment Finance Private Limited and L&T Finance Limited
- Secured by hypothecation of specific assets purchased out of loan, comprising Plant and Machinery and Construction equipment
- (ii) ICICI Home Finance
- Secured by hypothecation of asset purchased out of the loan i.e. building purchased with the loan.

The details of rate of interest and repayment terms of term loans are as under.

S. No.	Particulars	Number of Loans outstanding As at		Outstanding balance As at (₹ in million)		Interest Range % per annum	Number of outstanding Installments As at		Frequency of Installments	Commencing From- To
		31.03.2013	31.03.2012	31.03.2013	31.03.2012		31.03.2013	31.03.2012		
(i)	SREI Equipment Finance Private Limited	4	7	121.07	453.25	10.09 to 12	6 to 22	10 to 34	Monthly	May 10, 2010 to January 15, 2015
(ii)	L&T Finance Limited	3	2	129.12	8.67	11.46 to 12	40 to 42	1 to 10	Monthly	September 10, 2012 to September 05, 2016
(iii)	ICICI Home Finance	-	1	-	18.64	12	-	104	Monthly	February, 2011

Notes forming part of the Consolidated financial statements

5.7 Vehicle Loans

- (i) Vehicle loans are secured by hypothecation of the vehicles financed through the loan arrangements. Such loans are repayable in equal monthly installments over a period of 3 years and carry interest rate ranging between 8.22% to 10.81% per annum.
- (ii) Loan of NCC Urban Infrastructure Limited
 - Vehicle Loans - Loans availed for purchase of vehicles are secured by hypothecation of vehicles acquired out of the said loans. These loans carry an interest rate of 10.5% and repayable in 36 structured monthly installments.

5.8 Other Loans

Loans of Western Up Tollway Limited

- (i) In respect of Loans from Gayatri Infra Ventures Limited carries zero percent interest and is repayable in six equal instalments with the approval of the lenders and after clearing their dues.
- (ii) Loan from Gayatri Projects Limited carries interest @12% p.a. and is repayable in six equal instalments with the approval of the lenders and after clearing their dues.

5.9 Pursuant to notification issued by Ministry of Corporate Affairs, vide circular no. 04/2013, dated February 11, 2013, the company during the month of April 2013 has deposited an amount of ₹ 195.00 million in a scheduled bank, with respect of debentures to be redeemed during the year 2013-14.

(₹ in Million)				
	As at March 31, 2013		As at March 31, 2012	
6 Deferred Tax Liabilities (Net)				
(i) Deferred Tax Liability on timing difference due to:				
Depreciation		424.99		419.03
(ii) Deferred Tax Asset on timing differences due to:				
Provision for Gratuity and Compensated absences	96.33		79.07	
Provision for Doubtful Trade Receivables / Advances	97.97		83.86	
Total		194.30		162.93
Deferred Tax Liabilities (Net) (i) - (ii)		230.69		256.10
(iii) Disclosure				
Deferred Tax Liabilities (Net)		231.22		256.10
Deferred Tax Asset (Net)		0.53		-
		230.69		256.10
7 Other Long Term Liabilities				
Trade Payables		16.11		15.60
Retention Money payable		559.43		467.98
Share from Jointly Controlled Entities		19.18		19.18
Total		594.72		502.76
8 Long Term Provisions				
Provision for Employee Benefits				
Compensated absences		152.16		157.87
Gratuity (Refer note 40)		165.62		141.00
Provision for contractual obligations (Refer note 8.1)		60.50		-
Share from Jointly Controlled Entities		44.55		22.55
Total		422.83		321.42

Notes forming part of the Consolidated financial statements

- 8.1 In respect of a subsidiary Western Up Tollway Limited provision has been made for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

(₹ in Million)

Particulars	As at March 31, 2012	Additions	As at March 31, 2013
Periodic Maintenance	-	60.50	60.50

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
9 Short Term Borrowings		
Loans repayable on demand		
Secured Loans - Banks		
Working Capital Demand Loan (Refer note 9.1)	7,990.71	10,850.66
Cash Credits and Overdrafts (Refer note 9.1)	6,919.02	2,321.24
Short Tem Loans (Refer note 9.2)	3,500.00	-
Unsecured Loans		
From Banks		
Short Term Loans (Refer note 9.3)	3,868.07	8,225.00
Commercial Paper (Refer note 9.4)	-	500.00
Less: Unamortized Discount	-	2.92
	-	497.08
From Other Parties	810.28	919.25
Total	23,088.08	22,813.23

- 9.1 Working Capital Demand Loans, Cash Credit and Overdraft facilities availed from consortium of banks are secured by:
- Hypothecation against first charge on stocks, book debts and other current assets of the Company (excluding specific projects) both present and future, ranking parri passu with consortium banks
 - Hypothecation against first charge on unencumbered fixed assets of the Project Division and Light Engineering Division (excluding Land & Buildings) of the Company rank parri passu with consortium banks.
 - Equitable mortgage of three properties (Land & Buildings).
 - Loan of NCC Urban Infrastructure Limited
- Working Capital facilities of ₹ 60.00 million for Façade Division from Bank of India, Mid-corporate branch, Hyderabad , carrying an interest of 14% per annum is secured by
- First charge on the Fixed and Current Assets of the Façade Division by way of hypothecation
 - Equitable Mortgage of Ac.8.30 and Ac.9.60 of lands of Dhatri Developers and Projects Pvt Ltd and Sushruta Real Estates Private Limited respectively.
 - The facilities are further secured by Corporate Guarantee provided by subsidiary companies namely Dhatri Developers and Projects Private Limited and Sushruta Real Estates Private Limited.
- Loan of NCC Infrastructure Holdings Mauritius Pte. Limited
- The term Loan of USD 15.00 million taken from The Royal Bank of Scotland N.V., Singapore was transferred to The Royal Bank of Scotland PLC, Singapore during the year with a schedule for repayment in four installments and final maturity on July 27, 2013, carrying an interest rate of USD 6-month LIBOR + 125 bpps
 - The outstanding loan of USD 9 million is repayable in two equal installments in April, 2013 and July, 2013.

Notes forming part of the Consolidated financial statements

- f) Loan of Nagarjuna Construction Company International LLC
- i) Bank of Baroda borrowings are secured either / and - or as:
 - First exclusive charge on fixed assets of value OMR 4.40 million only.
 - Assignment of project receivables.
 - Corporate guarantees from NCC Limited, India to the extent of OMR 14.124 million.
 - The loan is repayable in equal monthly installments of OMR 0.056 million.
 - ii) Bank Muscat borrowings are secured either / and - or as:
 - Counter Guarantee from ICICI Bank Ltd.
 - Corporate guarantees from NCC Limited, India to the extent of OMR 7.656 million.
 - Lien on fixed deposit of OMR 4.6 million held with the Sohar branch of the bank.
 - iii) State Bank of India borrowings are secured either / and - or as:
 - Assignment of project receivables.
 - Corporate guarantees from NCC Limited, India to the extent of OMR 14.869 million.
 - iv) ICICI Bank Bahrain borrowings are secured either / and - or as:
 - Assignment of project receivables.
 - Corporate guarantees from NCC Limited, India to the extent of OMR 64 million.

9.2 Secured - Short term loans from Banks:
Collateral security/ First charge on immovable property and second charge on current assets of the company

- 9.3 Unsecured - Short term loans from Banks:
- a) Includes an amount of ₹ 1,128.07 millions availed from Standard Chartered Bank under retention money discounting facility.
 - b) The company availed short term loans from various banks during the year having a maturity of less than one year and carry interest rate ranging between 12.50% to 13.05% per annum.

9.4 Commercial paper represents ₹ Nil (31.03.2012: ₹ 500.00 million) due within one year. The maximum amount of Commercial paper outstanding at any time during the year was ₹ 1,750.00 million (31.03.2012: ₹ 2,300.00 million).

				(₹ in Million)	
		As at March 31, 2013		As at March 31, 2012	
10	Trade Payables				
	Acceptances		2,849.76		2,343.11
	Other than Acceptances		15,372.48		13,885.90
			18,222.24		16,229.01
	Share from Jointly Controlled Entities		27.61		13.17
	Total		18,249.85		16,242.18

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
11 Other Current Liabilities		
Current maturities of Long Term Borrowings (Refer note 5)	2,700.78	2,983.08
Interest Accrued but due on borrowings	166.74	52.88
Interest Accrued but not due on borrowings and others	294.24	357.29
Unpaid Dividend Accounts (Refer note 11.1)	5.74	5.75
Other Payables		
Statutory remittances	660.12	720.25
Payable on purchase of Fixed Assets	14.94	32.43
Interest Accrued on Trade Payables	1.85	-
Retention Money Payable	2,934.21	2,978.91
Advances from Customers and others	9,970.01	1,623.05
Advance Sale consideration received (Refer note 36)	499.54	-
Other Liabilities	624.48	1,419.65
Mobilisation Advance	8,584.55	10,288.29
Share from Jointly Controlled Entities	267.73	381.41
Total	26,724.93	20,842.99
11.1 There are no amounts due for payment to the Investor Education and Protection Fund as at Balance Sheet date.		
12 Short Term Provisions		
Provision for Employee Benefits		
Compensated absences	49.52	38.00
Gratuity (Refer note 40)	14.15	18.78
Obligation on sale of Investment (Refer note 36)	346.79	-
Provision for Tax (Net of Advance Taxes of ₹ 338.58 million (31.03.2012: ₹ 165.99 million))	309.54	103.03
Provision for proposed Equity Dividend	76.97	76.97
Provision for Tax on proposed Equity Dividend	13.08	12.49
	810.05	249.27
Share from Jointly Controlled Entities	25.04	26.25
Total	835.09	275.52

Notes forming part of the Consolidated financial statements

13 Fixed Assets

(₹ in Million)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTIZATION				NET BLOCK			
	As at March 31, 2012	Additions	Deductions /Adjustments (Refer note 47(iii))	Effect of Foreign Currency Exchange Differences	As at March 31, 2013	Upto March 31, 2012	For The Year	Deductions /Adjustments	Effect of Foreign Currency Exchange Differences	UPTO March 31, 2013	AS AT March 31, 2013	AS AT March 31, 2012
Tangible Assets												
Land												
Freehold	1,424.01	64.75	1,143.54	-	345.22	-	-	-	-	-	345.22	1,424.01
(Previous Year)	(1,938.98)	(449.20)	(964.17)	-	(1,424.01)	-	-	-	-	-	(1,424.01)	-
Leasehold	19.76	-	19.76	-	-	-	-	-	-	-	-	19.76
(Previous Year)	(19.02)	(0.74)	-	-	(19.76)	-	-	-	-	-	(19.76)	-
Buildings												
Own	119.46	104.02	32.17	-	191.31	13.04	2.26	1.00	-	14.30	177.01	106.42
(Previous Year)	(149.90)	(0.93)	(31.37)	-	(119.46)	(13.63)	(2.84)	(3.43)	-	(13.04)	(106.42)	-
Given under operating lease	362.22	61.15	120.63	-	302.74	24.04	5.95	11.83	-	18.16	284.58	338.18
(Previous Year)	(330.85)	-	31.37	-	(362.22)	(15.22)	(5.39)	3.43	-	(24.04)	(338.18)	-
Plant and Machinery	7,366.64	512.00	241.94	161.67	7,798.37	1,406.03	368.02	62.64	24.61	1,736.02	6,062.35	5,960.61
(Previous Year)	(6,659.99)	(613.30)	(189.80)	(283.15)	(7,366.64)	(1,097.03)	(337.22)	(67.42)	(39.20)	(1,406.03)	(5,960.61)	-
Furniture and Fixtures	110.40	14.71	31.94	1.63	94.80	31.03	6.72	4.14	0.57	34.18	60.62	79.37
(Previous Year)	(82.65)	(29.77)	(4.87)	(2.85)	(110.40)	(25.86)	(6.39)	(2.19)	(0.97)	(31.03)	(79.37)	-
Construction Vehicles	2,330.85	252.88	15.55	68.09	2,636.27	811.75	278.36	5.12	23.38	1,108.37	1,527.90	1,519.10
(Previous Year)	(2,136.13)	(143.00)	(68.07)	(119.79)	(2,330.85)	(559.46)	(244.74)	(31.96)	(39.51)	(811.75)	(1,519.10)	-
Office Vehicles	681.80	64.42	41.19	19.26	724.29	202.98	68.35	18.15	4.19	257.37	466.92	478.82
(Previous Year)	(651.00)	(156.74)	(155.79)	(29.85)	(681.80)	(194.76)	(63.77)	(62.37)	(6.82)	(202.98)	(478.82)	-
Office Equipment	446.51	34.34	13.84	8.38	475.39	186.71	41.93	5.90	1.82	224.56	250.83	259.80
(Previous Year)	(401.09)	(75.64)	(43.95)	(13.73)	(446.51)	(160.93)	(41.73)	(18.79)	(2.84)	(186.71)	(259.80)	-
Lease Hold Improvements	414.81	113.21	468.23	-	59.79	32.63	38.87	66.19	-	5.31	54.48	382.18
(Previous Year)	(25.73)	(397.20)	(8.12)	-	(414.81)	(23.50)	(17.19)	(8.06)	-	(32.63)	(382.18)	-
Construction Accessories	3,197.56	468.94	41.94	45.00	3,669.56	1,724.90	542.55	33.20	22.83	2,257.08	1,412.48	1,472.66
(Previous Year)	(2,724.33)	(430.21)	(35.38)	(78.40)	(3,197.56)	(1,214.55)	(496.78)	(22.97)	(36.54)	(1,724.90)	(1,472.66)	-
Share from Jointly Controlled Entities	66.27	1.64	0.16	-	67.75	32.98	7.31	0.04	-	40.25	27.50	33.29
(Previous Year)	(61.80)	(0.91)	3.56	-	(66.27)	(24.46)	(7.22)	1.30	-	(32.98)	(33.29)	-
Total	16,540.29	1,692.06	2,170.89	304.03	16,365.49	4,466.09	1,360.32	208.21	77.40	5,695.60	10,669.89	12,074.20
(Previous Year)	(15,181.47)	(2,297.64)	(1,466.59)	(527.77)	(16,540.29)	(3,329.40)	(1,223.27)	(212.46)	(125.88)	(4,466.09)	(12,074.20)	-
Intangible Assets												
Computer Software	95.14	7.97	2.52	-	100.59	21.32	16.68	0.22	-	37.78	62.81	73.82
(Previous Year)	(19.62)	(75.52)	-	-	(95.14)	(10.64)	(10.68)	-	-	(21.32)	(73.82)	-
Carriage way	13,291.67	131.39	(548.71)	-	13,971.77	1,313.17	657.79	-	-	1,970.96	12,000.81	11,978.50
(Previous Year)	-	(13,291.67)	-	-	(13,291.67)	-	(1,313.17)	-	-	(1,313.17)	(11,978.50)	-
Goodwill	1,234.20	-	1,234.20	-	-	-	-	-	-	-	-	1,234.20
(Previous Year)	-	(1,234.20)	-	-	(1,234.20)	-	-	-	-	-	(1,234.20)	-
Share from Jointly Controlled Entities	6,226.07	16.14	96.97	-	6,145.24	831.80	249.29	-	-	1,081.09	5,064.15	5,394.27
(Previous Year)	(5,770.07)	(1,730.14)	(1,274.14)	-	(6,226.07)	(692.87)	(117.38)	21.55	-	(831.80)	(5,394.27)	-
Total	20,847.08	155.50	784.98	-	20,217.60	2,166.29	923.76	0.22	-	3,089.83	17,127.77	18,680.79
(Previous Year)	(5,789.69)	(16,331.53)	(1,274.14)	-	(20,847.08)	(703.51)	(1,441.23)	21.55	-	(2,166.29)	(18,680.79)	-
Capital Work in Progress												
Share from Jointly Controlled Entities	-	-	-	-	-	-	-	-	-	-	69.61	9,407.73
(Previous Year)	-	-	-	-	-	-	-	-	-	-	-	-
Total											69.61	9,407.73

Notes forming part of the Consolidated financial statements

13.1 Joint Venture Assets included in Gross Block of ₹ 359.03 million (31.03.2012: ₹ 406.72 million) and Net Block of ₹ 118.09 million (31.03.2012: ₹ 156.23 million)

13.2 Details of Assets acquired under hire purchase agreements

(₹ in Million)

PARTICULARS	GROSS BLOCK (AT COST)		ACCUMULATED DEPRECIATION		NET BLOCK	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Office Vehicles	107.91	93.52	16.81	12.10	91.10	81.42

13.3 Depreciation / amortization expense

(₹ in Million)

	For the year ended March 31, 2013	For the year ended March 31, 2012
Tangible Assets	1,360.32	1,223.27
Intangible Assets	923.76	1,441.23
Less: Depreciation on Tangible Assets Capitalised	-	(19.99)
Total	2284.08	2644.51

13.4 Additions for the year includes reclassification of land of ₹ 64.75 million from inventory to fixed assets

13.5 Capital Work in Progress includes preoperative expenses transfer during the year ₹ Nil (31.03.2012: ₹ 1,713.43 million) (Refer note 33).

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount	Number of Shares	Amount
14 Investments				
14.1 Non Current Investments				
A Trade (Unquoted) (At Cost)				
(i) Investment in equity instruments				
a In Subsidiaries (Refer note 32.1)				
In Equity Shares of "LKR" 10 each, fully paid up				
NCC Urban Lanka Private Limited (Value in ₹ 7)	2	-	2	-
In Equity Shares of Rs 10 each, fully paid				
Naftogaz Engineering Private Limited	50,000	0.50	-	-
b In Associates				
In Shares of ₹ 10 each, fully paid up				
Jubilee Hills Land Mark Projects Private Limited	2,500,000	-	2,500,000	-
Tellapur Techno City Private Limited	14,702,600	-	14,702,600	-
NCC Power Projects Limited (Refer note 46)	346,214,091	3,437.00	-	-
Paschal Form Work (I) Private Limited	5,668,000	39.77	5,668,000	41.09
Himalayan Green Energy Private Limited	1,000,000	134.60	1,000,000	133.15
In Shares of one USD each fully paid up				
Apollonius Coal and Energy PTE Limited	3,698,757	199.43	3,398,757	176.66
In Shares of 1000 Dirham each fully paid up				
Nagarjuna Facilities Management Services, LLC, Dubai	147	3.71	147	3.80
In Shares of US \$ one each fully paid up				
Tellapur Technocity (Mauritius)	17,140,129	925.60	17,140,129	867.30
c In Other entities				

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount	Number of Shares	Amount
In Shares of ₹ 10 each, fully paid up				
SNP Infrastructures Private Limited	7,620,551	75.82	7,620,551	75.82
SNP Developers and Projects Private Limited	548,113	5.39	548,113	5.39
SNP Ventures Private Limited	3,368,231	33.20	3,368,231	33.20
SNP Property Developers Private Limited	1,700,275	19.47	1,700,275	19.47
NAC Infrastructure Equipment Limited	1,499,900	15.00	1,499,900	15.00
Machilipatnam Port Limited	1,000	0.01	1,000	0.01
In Shares of ₹ 25 each, fully paid up				
Akola Urban Co-operative Bank Limited	4,040	0.10	4,040	0.10
(ii) Investment in preference shares				
In Associates				
2% Redeemable Preference Shares of ₹ 100 each fully paidup				
Jubilee Hills Land Mark Projects Private Limited	4,274,999	355.74	4,274,999	402.28
(iii) Investment in debentures				
In Associates				
Jubilee Hills Land Mark Projects Private Limited (of ₹ 100 each, fully paid up)	5,092,252	509.23	5,092,252	509.23
Tellapur Techno City Private Limited (of ₹ 1 each, fully paid up)	701,368,092	479.56	701,368,092	484.28
B Trade (Quoted)				
Investment in equity instruments				
In Shares of ₹ 10 each, fully paid up				
NCC Finance Limited [* (Value ₹ 90)]	-	_*	-	_*
C Non - Trade Investments (Quoted)				
(i) In Equity Shares of ₹ 10 each, fully paid up				
IVRCL Assets and Holdings Limited (Book Value in ₹ 1,648)	-		10	-
Jaiprakash Power Ventures Limited (Book Value in ₹ 688)	-		10	-
JSW Energy Limited (Book Value in ₹ 1,053)	-		10	-
Reliance Industries Limited (Book Value in ₹ 4,949)	-		5	0.01
Reliance Infrastructure Limited (Book Value in ₹ 9,989)	-		10	0.01
Reliance Power Limited (Book Value in ₹ 697)	-		5	-
(ii) In Equity Shares of ₹ 2 each, fully paid up				
Gammon India Limited (Book Value in ₹ 1,108)	-		5	-
Gammon Infrastructure Projects Limited (Book Value in ₹ 256)	-		10	-
IVRCL Infrastructure & Projects Limited (Book Value in ₹ 1,621)	-		10	-
Jaiprakash Associates Limited (Book Value in ₹ 1,353)	-		10	-
Larsen & Toubro Limited (Book Value in ₹ 7,936)	-		5	0.01
(iii) In Equity Shares of ₹ 1 each, fully paid up				
GMR Infrastructure Limited (Book Value in ₹ 275)	-		5	-
GVK Power & Infrastructure Limited (Book Value in ₹ 444)	-		10	-
Hindustan Construction Company Limited (Book Value in ₹ 678)	-		5	-
Patel Engineering Limited (Book Value in ₹ 2,206)	-		5	-
D In Partnership Firm				
NCC Power Project - Sompeta (Refer note 14.3)	-			596.29
E Share from Jointly Controlled Entities		22.67		49.07
Total		6,256.80		3,412.17

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
	Number of Shares	Amount	Number of Shares	Amount
14.2 Current Investments				
A In Other entities				
Himachal Sorang Power Limited (Refer note 14.4)	3,994,890	402.52	-	-
B In Mutual Funds				
Axis Treasury Advantage Fund (Refer note 14.5)	-	-	200,020.849	200.04
C Share from Jointly Controlled Entities				
		51.78		3.37
Total		454.30		203.41
Aggregate amount of Quoted Investments		-		0.03
Aggregate amount of Unquoted Investments		6,711.10		3,415.51
Aggregate market value of Quoted Investments		-*		-*
* Market value of ₹ 7.74 (31.03.2012: ₹ 15.03)				

14.3 NCC Power Projects Limited (NCCPPL) and Shri MVS Subba Raju - whole time director of NCCPPL are the partners of the firm. While NCCPPL holds 99.98%, the balance 0.02% is held by Shri MVS Subba Raju. As at March 31, 2012 balance in the capital account of Mr. MVS Subba Raju is ₹ 0.10 million.

The Members of NCC Power Projects Limited in the Extraordinary General Meeting held on April 04, 2011 approved transfer of assets including advances and expenditure incurred for obtaining approvals and clearances relating to Sompet Power Project to a Partnership Firm as company's initial investment in the firm. Accordingly the company has identified and transferred ₹ 586.80 million as initial investment and further an amount of ₹ 9.40 million has been invested during the year 2011-12 in the said Partnership Firm. NCCPPL intends to retire from the Firm. Management is confident of recovering it's carrying value of investments (Refer note 46).

14.4 Of these 3,994,138 (31.03.2012: 4,146,948) equity shares have been pledged with Axis Bank and 748 (31.03.2012: 748) equity shares have been pledged with IDBI Trustee Ship Services Limited for the term loan availed by Himachal Sorang Power Limited.

During the current year, the Company has entered into securities purchase agreement for disposal of these shares, subject to compliance with the various conditions mentioned in the agreement (Refer note 36).

14.5 Investment made by a subsidiary in Axis Treasury Advantage Fund is under lien with M/s Axis Bank Limited towards Debt Service Reserve Account in respect of final disbursement of Term Loans by the lead lender.

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
15 Long Term Loans and Advances				
Un-Secured, Considered good				
Capital Advances		1.01		1,040.36
Loans and Advances to Related Parties				
Partnership firm		628.97		136.65
Joint ventures		634.81		364.82
Associate		14.03		-
Advance towards share application money				
Associate		22.26		4.76
Deposits with Customers and Others (Refer note 15.1 & 15.2)		825.39		784.26
Advance Taxes and Tax Deducted at Source (Net of Provisions of ₹ 1,348.53 million (31.03.2012: ₹ 1,970.04 million)		913.58		252.56
Other Loans and Advances		286.17		28.48
Total		3,326.22		2,611.89

Notes forming part of the Consolidated financial statements

15.1 Includes Deposits taken for Joint Development ₹ 599.19 million (31.03.2012: ₹ 548.50 million) represents deposits with respective land owners against registered Joint Development Agreements (JDAs). The lands under respective development agreements are in the possession of the company. The company is assessing the present market scenario and accordingly execute the project/s at an appropriate time.

15.2 Includes advances for Purchase of Land ₹ 197.60 million (31.03.2012: ₹ 197.60 million) represent advances paid towards three properties during the years from 2005-2006 to 2008-2009, in respect of which agreements were expired. The registrations in the name of the Company are pending due to non-fulfillment of certain obligations like obtaining necessary permissions, sanctions, clearances, approvals for conversions, etc from statutory authorities as per the agreement, either by the Company or by the vendor. Erosion, if any, is not ascertainable. Company is confident of negotiating with the respective vendors for extension of the agreements and/ or registration as per mutually agreed terms.

	(₹ in Million)			
	As at March 31, 2013		As at March 31, 2012	
16 Other Non - Current Assets				
Un-Secured, Considered good				
Long term Trade Receivables		20.66		-
Interest accrued on loans		1.90		0.55
Retention Money		1,497.30		1,308.72
Share from Jointly Controlled Entities		0.03		0.03
Total		1,519.89		1,309.30

	(₹ in Million)			
	As at March 31, 2013		As at March 31, 2012	
17 Inventories				
Raw Materials - at cost or under	5,148.82		5,231.59	
Material in Transit - at cost or under	59.68		8.67	
Work-in-progress - contract rates less profit margin	13,692.00		12,180.93	
Property Development Cost (Refer note 17.1) - at cost or under	3,012.49		3,135.20	
Share from Jointly Controlled Entities	48.26		14.37	
Total		21,961.25		20,570.76

17.1 Property development cost ₹ 286.55 million (31.03.2012: ₹ 286.55 million) representing the cost of acquisition of land from different land owners, for which the Company holds General Power of Attorney to deal with such land including registration of the sale in the name of the Company.

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
18 Trade Receivables				
Unsecured				
Outstanding for a period exceeding six months from the date they were due for payment				
Considered Good	3,946.33		4,612.98	
Considered Doubtful	76.37		87.09	
	4,022.70		4,700.07	
Less : Provision for doubtful trade receivables	76.37		87.09	
	3,946.33		4,612.98	
Other Trade receivables				
Considered Good	9,978.01		12,176.48	
		13,924.34		16,789.46
Share from Jointly Controlled Entities		151.24		151.42
Total		14,075.58		16,940.88
19 Cash and Bank Balances				
Cash and Cash Equivalents (Refer note 19.1)				
Cash on hand	19.29		18.05	
Balances with Banks :				
In Current Accounts	1,691.89		828.72	
In Deposit Accounts with maturity less than 3 months (Includes ₹ 10.26 million in IDBI Mutual Funds - Daily Dividend Scheme (31.03.12: ₹ 650.35 million in ICICI Prudential Liquid Plan))	10.28		805.06	
		1,721.46		1,651.83
Other Bank Balances				
Earmarked balances with Banks				
Unpaid dividend accounts	5.74		5.75	
Escrow accounts (Refer note 30 (i) (a))	28.95		-	
In Deposit Accounts				
Margin Money Deposits (Refer note 19.2)	107.53		133.95	
Long Term Deposits with maturity more than 3 months	611.92		606.41	
		754.14		746.11
Share from Jointly Controlled Entities		18.63		9.90
TOTAL		2,494.23		2,407.84

19.1 Balances meet the definition of "Cash and Cash Equivalents" as per AS - 3 'Cash Flow Statements'.

19.2 Margin Money Deposits have been lodged with Banks against Guarantees issued by them.

Notes forming part of the Consolidated financial statements

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
20 Short Term Loans and Advances				
Secured, considered good				
Loans to Related Parties				
Other Body Corporate (Refer note 20.1)		67.32		66.48
Unsecured considered good				
Loans to Related Parties				
Associates	70.74		70.76	
Joint venture (Refer note 20.2)	13.92		28.92	
		84.66		99.68
Loans to Other Body Corporates		196.00		196.00
Loans and Advances to Employees		132.11		81.82
Prepaid Expenses		393.48		332.59
Advance for Sales Tax / Value Added Tax credit receivable		2,597.59		2,258.43
Service Tax credit receivable		154.22		105.74
Advances to Suppliers, Sub-contractors and Others (Refer note 20.3)				
Considered Good	15,619.71		16,448.28	
Considered Doubtful	297.10		234.60	
	15,916.81		16,682.88	
Less : Provision for doubtful advances	297.10		234.60	
		15,619.71		16,448.28
Advances recoverable in cash or in kind or for value to be received		906.22		1,283.39
Advance Taxes and Tax Deducted at Source (Net of Provisions of ₹ 228.79 million (31.03.2012: ₹ 236.19 million))		1,049.29		1,270.81
Share from Jointly Controlled Entities		118.90		139.94
Total		21,319.50		22,283.16

20.1 Secured by equitable mortgage of immovable properties of a body Corporate

20.2 Advances to Joint Venture ₹ 13.92 million (31.03.2012: ₹ 28.92 million) represents the amount paid by the Subsidiary Company towards development of villas project at Raipur jointly with Prayash Developers Pvt Limited ("Prayash") under the name "NCCUIL - Prayash Joint Venure - Mahavir Executive Enclave" ("the Project"). The Project has acquired 20.54 acres of land which was registered in joint names of the Subsidiary Company and Prayash. Keeping in view the present market scenario, the Subsidiary Company has decided to exit from joint development and executed an MOU to receive back the amount from JV Partner and to relinquish the share held by the Subsidiary Company. The amount outstanding as on date has been disclosed as Advance to Joint Venture and considered good for recovery.

20.3 Advances to Suppliers, Sub-contractors and others, includes ₹ 1,730.12 million (31.03.2012: ₹ 2,737.48 million) representing amounts withheld by contractees and includes advance to enterprises owned are significantly influenced by key management personnel or their relatives ₹ 4,216.35 million (31.03.2012: ₹ 3,677.59 million).

(₹ in Million)

	As at March 31, 2013		As at March 31, 2012	
21 Other Current Assets				
Retention Money		10,986.13		9,611.83
Deposits with Customers and Others (Refer note 35)		584.50		646.46
Interest Accrued on Deposits and Others		332.58		147.30
Unbilled Revenue - Annuity Accrued		390.93		-
Share from Jointly Controlled Entities		35.14		34.70
Total		12,329.28		10,440.29

Notes forming part of the Consolidated financial statements

(₹ in Million)

	Year Ended March 31, 2013		Year Ended March 31, 2012	
22 Revenue from Operations				
Income from Contracts and Services		66,314.51		64,410.35
Other Divisions		2,077.36		1,732.37
Other Operating Income		700.49		22.90
Share from Jointly Controlled Entities		591.26		485.95
Total		69,683.62		66,651.57
23 Other Income				
Interest Income on				
Deposits and Others		42.93		23.96
Loans and Advances		419.16		536.35
Income Tax refund		3.24		15.25
Other Interest		153.64		264.91
Dividend Income from Investments		-		17.40
Net Gain on foreign currency transactions		1.04		-
Other Non-Operating Income				
Rental Income		30.97		31.70
Profit On Sale of Fixed Assets		68.47		-
Miscellaneous Income		184.92		122.60
Share from Jointly Controlled Entities		5.40		5.22
Total		909.77		1,017.39
24 Cost of Materials Consumed				
Construction Materials, Stores and Spares				
Opening Stock	5,240.26		4,057.80	
Add : Purchases	25,387.69		26,041.00	
		30,627.95		30,098.80
Less : Closing Stock		5,208.50		5,240.26
Total		25,419.45		24,858.54
25 Construction Expenses				
Sub-contractors Work Bills		18,260.36		15,400.00
Job Work Charges		6,005.54		6,953.24
Transport Charges		663.23		681.29
Indirect Taxes				
Value Added Tax	1,220.55		1,112.73	
Service Tax	633.94		354.29	
		1,854.49		1,467.02
Repairs and Maintenance				
Machinery	1,084.79		1,075.90	
Others	295.08		162.57	
		1,379.87		1,238.47
Hire Charges for Machinery and others	1,551.14		1,285.35	
Power and Fuel	143.61		94.12	
Technical Consultation	266.74		303.96	
Royalties, Seigniorage and Cess	303.40		259.52	
Property Development Cost	61.84		175.55	
Other Expenses	857.60		813.82	
Share from Jointly Controlled Entities	60.47		40.52	
		3,244.80		2,972.84
Total		31,408.29		28,712.86

Notes forming part of the Consolidated financial statements

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
26 Changes in Inventories of Work in Progress		
Opening Balance	12,180.93	9,889.22
Closing Balance	13,692.00	12,180.93
	(1,511.07)	(2,291.71)
Less: Translation Difference	20.16	35.87
Total	(1,490.91)	(2,255.84)
27 Employee Benefits Expense		
Salaries and Other Benefits	3,230.34	3,230.58
Contribution to Provident Fund and Other Funds	258.72	251.56
Staff Welfare Expenses	184.22	238.28
Share from Jointly Controlled Entities	19.65	16.28
Total	3,692.93	3,736.70
28 Finance Costs		
Interest Expense on Borrowings		
Debentures	312.66	410.97
Term Loans	2,115.68	2,896.04
Working Capital Demand Loans and Cash Credit	1,941.31	1,345.69
Mobilisation Advance	368.96	381.43
Others	320.64	668.79
	5,059.25	5,702.92
Add: Interest Capitalised	-	8.17
	5,059.25	5,711.09
Other Borrowing Costs		
Commission on - Bank Guarantees	254.95	222.87
- Letters of Credit	108.17	67.02
	363.12	289.89
Bank and Other Financial Charges	136.88	148.53
Share from Jointly Controlled Entities	391.60	300.43
Total	5,950.85	6,449.94
29 Other Expenses		
Rent (Refer note 47)	462.93	516.11
Travelling and Conveyance	406.36	414.31
Office Maintenance	158.19	147.60
Electricity Charges	79.48	81.00
Rates and Taxes	112.63	62.38
Consultation Charges	72.70	113.96
Postage, Telegrams and Telephones	73.26	72.31
Insurance	103.31	95.14
Printing and Stationery	40.86	44.16
Legal and Professional Charges	161.54	154.54
Auditors' Remuneration	16.95	16.61
Directors' Sitting Fees	0.78	0.55
Trade Receivables / Advances Written off	420.40	404.37
Provision for Doubtful Trade Receivables / Advances	70.00	166.10
Miscellaneous Expenses	186.75	322.05
Share from Jointly Controlled Entities	61.13	12.12
Total	2,427.27	2,623.31

Notes forming part of the Consolidated financial statements

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
29A Tax Expense		
Current Tax (includes prior year's tax: ₹ 110.82 million (31.03.2012: ₹ Nil))	406.61	273.11
Deferred Tax	(25.33)	(54.30)
Total	381.28	218.81

(₹ in Million)

	As at March 31, 2013	As at March 31, 2012
30 Contingent Liabilities and Commitments		
(i) Contingent Liability		
(a) Claims against the Group not acknowledged as debt		
- Disputed sales tax liability for which the Company preferred appeal	1,144.37	687.18
- Disputed central excise duty relating to clearance of goods of LED division in favour of Developers of SEZ, for which the Company has filed an appeal to CESTAT, Bangalore	5.73	1.17
- Disputed service tax liability for which the Company preferred appeal	1,116.74	405.77
- Disputed income tax liability for which the Company preferred appeal (Net off Tax Deduction at Source certificates and interest thereon submitted to the Tax Authorities)	100.33	17.69
- Disputed sole arbitrator award in case of counter claim by Bhartiya Reserve Bank Note Mudran Private Limited, against which the Company has filed appeal before City Civil Court, Bangalore	30.00	30.00
- Others (Includes claim by National Highway Authority of India (NHAI) towards certain operating non-compliances by the company. NHAI has written to the company's Escrow Agent M/s. IDBI Bank Limited to hold ₹ 28.95 million in Escrow account pending recovery. The company has represented to NHAI for releasing the amount kept on hold and is confident of a favourable decision by the NHAI).	290.61	131.74
Joint and several liability in respect of joint venture projects and liquidated damages in respect of delays in completion of projects	Amount not ascertainable	Amount not ascertainable
- Levy of labour cess @ 1% (w.e.f. July 2007) on the construction contracts executed by the Company in the State of Andhra Pradesh contested before the Hon'ble High Court of Andhra Pradesh	Amount not ascertainable	Amount not ascertainable
- Compensation payable to land owners, in respect of Joint Development Agreements where delays have occurred in executing the projects and handing over the same to the respective land owners.	Amount not ascertainable	Amount not ascertainable
(b) Guarantees		
Counter Guarantees given to the Bankers *	947.50	2,704.47
Performance guarantees, given on behalf of Subsidiaries and Associates*	465.32	349.09
*Excludes Guarantees given against Company's liabilities, in terms of Guidance Note on Revised Schedule VI, issued by the Institute of Chartered Accountants of India.		
(c) Share of group in contingent liabilities of Joint ventures	16.27	11.85
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible	179.71	46,374.08
Intangible	-	2.18
(b) Other commitments		
Commitment towards investment in companies	4,445.99	3,564.27
Future Export commitments on account of import of machinery and equipments at concessional rate of duty under EPCG scheme	517.90	517.90
(c) Share of group in commitments of Associates	26,148.74	-

Notes forming part of the Consolidated financial statements

31 Related Party Transactions

i) Following is the list of related parties and relationships:

S. No	Particulars	S.No	Particulars
A) Subsidiaries (Refer note 32.1)		37	Sri. AGK Raju
1	NCC Urban Lanka (Private) Limited	38	Sri. AVN Raju
2	Naftogaz Engineering Private Limited	39	Sri. NR Alluri
B) Joint Ventures		40	Sri. AKHS Ramaraju
3	Brindavan Infrastructure Company Limited	41	Sri. JV Ranga Raju
4	Bangalore Elevated Tollway Limited	42	Sri. KV Rao
5	Pondicherry Tindivanam Tollway Limited	43	Sri. MVS Subba Raju
6	Varaprada Real Estates Private Limited	44	Sri. SRK Surya Sri Krishna Raju
7	Premco – NCC	F) Relatives of Key Management Personnel	
8	SDB – NCC – NEC	45	Dr. AVS Raju
9	NCC – PNC	46	Smt. A. Bharathi
10	NCC – SJRIPL	47	Smt. B. Kausalya
11	NCC - Himachal	48	Smt. A. Satyanarayanamma
12	NCC – NEC – Maytas	49	Smt. J.Sridevi
13	NCC – VEE	50	Smt. Sowjanya
14	NCC – MSKEL	51	Smt. A. Arundathi
Other Venturers		52	Sri. A. Srinivasa Rama Raju
15	KMC Constructions Limited	53	Smt. A. Swetha
16	Gayatri Infra Ventures Limited	54	Smt. A. Sridevi
17	Gayatri Projects Limited	55	Sri. Jampanna Krishna Chaitanya Varma
18	IL & FS Engineering and Construction Company Limited	56	Smt. A. Subhadra Jyothirmayi
19	Soma Enterprise Limited	57	Smt. A. Shyama
20	Terra Projects Limited	58	Smt. A. Suguna
21	Gayatri Energy Ventures Private Limited*	59	Sri. A. Harsha Varma
22	IL&FS Financial Services Limited*	G) Enterprises owned or significantly influenced by key management personnel or their relatives	
23	IL&FS Limited*	60	NCC Blue Water Products Limited
24	Maytas Investment Trust*	61	Swetha Estates
25	IL&FS Energy Development Company Limited*	62	NCC Finance Limited
C) Associates		63	Sirisha Memorial Charitable Trust
26	Paschal Form Work (I) Private Limited	64	Shyamala Agro Farms Private Limited
27	Nagarjuna Facilities Management Services LLC	65	Ranga Agri Impex Private Limited
28	Himalayan Green Energy Private Limited	66	NCC Foundation
29	Jubilee Hills Landmark Projects Private Limited	67	Sirisha Projects Private Limited
30	Tellapur Technocity (Mauritius)	68	Ruthvik Estates Private Limited
31	Tellapur Technocity Private Limited	69	Narasimha Developers Private Limited
32	Apollonius Coal and Energy Pte.Ltd.	70	Mihika Agro Farms Private Limited
33	NCC Power Projects Limited (Refer note 46)	71	Lalit Agro Farms Private Limited
D) Partnership Firm		72	Bhuvanesh Realtors Private Limited
34	NCC Power Project (Sompeta)	73	Arnesh Ventures Private Limited
E) Key Management Personnel		74	Suguna Estates Private Limited
35	Sri. AAV Ranga Raju	75	AVSR Holding Private Limited
36	Sri. ASN Raju	76	NCC Urban Infrastructure Company Limited Dubai - U.A.E

Notes forming part of the Consolidated financial statements

(ii) Related Party transactions during the year ended March 31, 2013 are as follows:

(₹ in Million)

Sl. No	Particulars	Associates	Joint Ventures / Other Venturers	Keymanagement personnel and relatives	Partnership Firm	Enterprises owned and significantly influenced by key management personnels or their relatives
1	Share Application Money paid / (Refund)	(962.00)	-	-	-	-
		-	3,307.38	-	-	-
2	Investments	16.29	-	-	-	-
		79.97	-	-	596.29	-
3	Loans granted	5.48	269.99	-	-	0.85
		7.35	(551.10)	-	-	16.68
4	Loan / Interest Repayment Received	0.40	-	-	-	-
		-	385.29	-	-	-
5	Advances granted / (received)	7.92	3.29	-	-	-
		8.43	329.88	-	-	-
6	Debentures allotted including premium during the year	-	-	-	-	-
		83.41	-	-	-	-
7	Retention Money refund	-	-	-	-	-
		-	17.52	-	-	-
8	Buy back of shares by JCE	-	-	-	-	-
		-	16.00	-	-	-
9	Share of Profit / (Loss)	-	9.15	-	-	-
		-	38.67	-	-	-
10	Works Contract Receipt	4,140.08	160.99	-	-	-
		-	592.51	-	-	-
11	Interest Income	139.89	-	-	-	-
		51.86	10.29	-	-	-
12	Sub Contractors work bills	-	-	-	-	-
		-	551.02	-	-	-
13	Remuneration	-	-	106.93	-	-
		-	-	82.54	-	-
14	Rent paid	-	-	-	-	141.60
		-	-	7.09	-	173.67
15	Management fees	-	4.80	-	-	-
		-	17.00	-	-	-
16	Lease charges paid	-	-	-	-	0.32
		-	-	-	-	0.28
17	Utility shifting bills paid	-	31.29	-	-	-
		-	-	-	-	-
18	Dividend paid	-	-	10.00	-	5.68
		-	-	32.09	-	17.97
19	Donations	-	-	-	-	1.11
		-	-	-	-	14.61
20	Debit Balances outstanding as at March 31, 2013					
	Himalayan Green Energy Private Limited	111.24	-	-	-	-
		96.86	-	-	-	-
	Jubilee Hills Landmark Projects Private Limited	142.25	-	-	-	-
		92.34	-	-	-	-
	NCC Blue Water Products Limited	-	-	-	-	67.32
		-	-	-	-	66.48

Notes forming part of the Consolidated financial statements

ii) Related Party transactions during the year ended March 31, 2013 (Contd.)

(₹ in Million)

Sl. No	Particulars	Associates	Joint Ventures / Other Venturers	Keymanagement personnel and relatives	Partnership Firm	Enterprises owned and significantly influenced by key management personnels or their relatives
	Bangalore Elevated Tollway Limited	-	408.03	-	-	-
		-	435.19	-	-	-
	Pondicherry Tindivanam Tollway Limited	-	378.19	-	-	-
		-	238.47	-	-	-
	Brindavan Infrastructure Company Limited	-	0.57	-	-	-
		-	0.35	-	-	-
	NCC Power Projects Limited	517.67	-	-	-	-
		628.97	-	-	-	-
	Tellapur Technocity Private Limited	22.26	-	-	-	-
		36.51	-	-	-	-
	Paschal Form Work (I) Private Limited	0.12	-	-	-	-
		0.12	-	-	-	-
	NCC Power Project (Sompeta)		-	-	708.74	-
			-	-	596.26	-
	NCC Urban Infrastructure Company Limited Dubai	-	-	-	-	4,216.36
		-	-	-	-	3,677.59
	Gayatri Projects Limited	-	-	-	-	-
		-	63.32	-	-	-
21	Credit Balances outstanding as at March 31, 2013					
	Nagarjuna Facilities Management Services LLC	27.08	-	-	-	-
		25.52	-	-	-	-
	NCC Power Projects Limited	7,529.12	-	-	-	-
		-	-	-	-	-
	KMC Constructions Limited	-	3.27	-	-	-
		-	68.00	-	-	-
	Gayatri Projects Limited	-	275.56	-	-	-
		-	-	-	-	-
	Gayatri Infra Ventures Limited	-	378.79	-	-	-
		-	378.79	-	-	-
	IL & FS Engineering and Construction Company Limited	-	-	-	-	-
		-	5.86	-	-	-
	IL&FS Energy Development Company Limited	-	-	-	-	-
		1.29	-	-	-	-
	Sirisha Projects Private Limited	-	-	-	-	-
		-	-	-	-	1.23
	Key Management Personnel & their relatives	-	-	-	-	-
		-	-	1.78	-	-
	NCC Blue Water Products Limited	-	-	-	-	0.68
		-	-	-	-	0.40

Figures in italics represent previous year's figures.

Notes forming part of the Consolidated financial statements

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

(₹ in Million)

Particulars	2012-13	2011-12
Share Application Money paid / (Refund)		
- Gayatri Energy Ventures Private Limited	-	3,307.38
- NCC Power Projects Limited	(979.50)	-
Investments		
- Apollonius Coal and Energy Pte.Ltd.	16.29	79.97
- NCC Power Project (Sompeta)	-	596.29
Loans Granted / (Received)		
- IL&FS Financial Services Limited	-	(551.60)
- Bangalore Elevated Tollway Limited	157.99	-
- Pondicherry Tindivanam Tollway Limited	112.00	-
- Himalayan Green Energy Private Limited	5.08	7.35
- NCC Blue Water Products Limited	0.85	-
Repayment of loan and Interest		
- NCC Power Projects Limited	0.40	-
- IL&FS Financial Services Limited	-	155.24
- KMC Constructions Limited	-	230.05
Advances granted / (Received)		
- KMC Constructions Limited	2.70	-
- Brindavan Infrastructure Company Limited	0.52	-
- Gayatri Projects Limited	-	330.00
- Himalayan Green Energy Private Limited	7.94	8.13
Retention Money refund		
- KMC Constructions Limited	-	17.52
Debentures allotted including premium during the year		
- IL&FS Energy Development Company Limited	-	83.41
Redemption of Preference shares		
- Brindavan Infrastructure Company Limited	-	50.00
Buy back of shares by JCE		
- Brindavan Infrastructure Company Limited	-	16.00
Share of Profit / (Loss)		
- NCC-VEE JV	9.37	38.67
Work Contract Receipt		
- NCC Power Projects Limited	4,140.08	-
- Gayatri Projects Limited	129.85	-
- KMC Constructions Limited	-	216.21
- Bangalore Elevated Tollway Limited	-	6.78
- Western UP Tollway Limited	-	4.48
- Pondicherry Tindivanam Tollway Limited	30.71	121.43
Interest Income		
- Jubilee Hills Landmark Projects Private Limited	49.94	42.32
- Himalayan Green Energy Private Limited	-	9.04
- NCC Power Projects Limited	79.77	-
- KMC Constructions Limited	-	10.29
Sub Contract Work Bills		
- Gayatri Projects Limited	-	551.02
Rent Paid / (Received)		
- Swetha Estates	-	3.66
- Sirisha Projects Private Limited	15.46	54.60
- Ruthvik Estates Private Limited	15.46	-
- Narasimha Developers Private Limited	15.46	-
- Mihika Agro Farms Private Limited	15.46	-
- Lalit Agro Farms Private Limited	15.46	-
- Bhuvanesh Realtors Private Limited	15.46	-
- Arnesh Ventures Private Limited	15.46	-
- Suguna Estates Private Limited	15.46	-
- Shyamala Agro Farms Private Limited	17.59	-

Notes forming part of the Consolidated financial statements

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year. (Contd.)

(₹ in Million)

Particulars	2012-13	2011-12
Management fees Paid / (Received)		
- IL&FS Energy Development Company Limited	-	8.60
- Bangalore Elevated Tollway Limited	(3.60)	(3.60)
- Brindavan Infrastructure Company Limited	(1.20)	(1.20)
- Pondicherry Tindivanam Tollway Limited	-	(3.60)
Lease charges paid		
- NCC Blue Water Products Limited	0.32	0.32
Utility shifting bills paid		
- Gayatri Projects Limited	31.29	-
Remuneration (Including commission)		
- Sri AAV Ranga Raju	31.52	21.03
- Sri ASN Raju	16.10	10.80
- Sri AGK Raju	16.11	10.76
- Sri AVN Raju	15.27	9.90
- Sri JV Ranga Raju	18.23	18.24
Dividend paid		
- AVSR Holdings Private Limited	5.39	17.97
- Dr AVS Raju	1.19	3.96
- Sri AAV Ranga Raju	1.78	5.93
- Sri ASN Raju	1.20	3.99
- Sri AGK Raju	1.20	3.93
- Sri AVN Raju	1.11	3.69
- Sri NR Alluri	1.23	4.09
Donations		
- NCC Foundation	1.11	14.61

32 The Subsidiaries, Jointly Controlled Entities and Associate companies considered for Consolidated financial statements are:

Name of the Entity	Country of incorporation	Proportion of Ownership	
		Current year	Previous year
Subsidiaries of the Company			
NCC Urban Infrastructure Limited	India	80%	80%
NCC Infrastructure Holdings Limited	India	100%	100%
NCC Vizag Urban Infrastructure Limited	India	95%	95%
OB Infrastructure Limited	India	64.02%	64.02%
Nagarjuna Construction Co.Ltd & Partners LLC	Sultanate of Oman	100%	100%
Nagarjuna Construction Company International LLC	Sultanate of Oman	100%	100%
NCC Infrastructure Holdings Mauritius Pte.Limited	Mauritius	100%	100%
Patnitop Ropeway & Resorts Limited	India	100%	100%
Nagarjuna Contracting Company LLC	Dubai	100%	100%
NCC International Convention Centre Limited.	India	100%	100%
NCC Oil & Gas Limited	India	80%	80%
Nagarjuna Construction Company (Kenya) Limited	Kenya	65%	65%
Vaidehi avenues Limited	India	100%	100%
Subsidiaries of NCC Urban Infrastructure Limited			
Dhatri Developers & Projects Private Limited	India	100%	100%
Sushanti Avenues Private Limited	India	100%	100%
Sushruta Real Estates Private Limited	India	100%	100%
PRG Estates Private Limited	India	100%	100%
Threleky Real Estates Private Limited.	India	100%	100%
Varma Infrastructure Private Limited	India	100%	100%
Nandyala Real Estates Private Limited	India	100%	100%
Kedarnath Real Estates Private Limited	India	100%	100%
AKHS Homes Private Limited	India	100%	100%
JIC Homes Private Limited	India	100%	100%
Sushanthi Housing Private Limited	India	100%	100%
CSVs Property Developers Private Limited	India	100%	100%
Vera Avenues Private Limited	India	100%	100%
Sri Raga Nivas Property Developers Private Limited	India	100%	100%

Notes forming part of the Consolidated financial statements

32 The Subsidiaries, Jointly Controlled Entities and Associate companies considered for Consolidated financial statements (Contd.)

Name of the Entity	Country of incorporation	Proportion of Ownership	
		Current year	Previous year
VSN Property Developers Private Limited	India	100%	100%
M A Property Developers Private Limited	India	100%	100%
Vara Infrastructure Private Limited	India	100%	100%
Sri Raga Nivas Ventures Private Limited	India	100%	100%
Mallelavanam Property Developers Private Limited	India	100%	100%
Sradha Real Estates Private Limited	India	100%	100%
Siripada Homes Private Limited	India	100%	100%
NCC Urban Lanka Private Limited	Srilanka	100%	100%
NJC Avenues Private Limited	India	100%	100%
Nagarjuna Suites Private Limited	India	100%	100%
NCC Urban Homes Private Limited	India	100%	-
NCC Urban Ventures Private Limited	India	100%	-
NCC Urban Meadows Private Limited	India	100%	-
NCC Urban Villas Private Limited	India	100%	-
Jointly Controlled Entity of NCC Urban Infrastructure Limited			
Varapada Real Estates Private Limited	India	40%	40%
Partnership Firm			
NR Avenues	India	100%	100%
Subsidiary of NCC Infrastructure Holdings Limited			
Himachal Sorang Power Limited (Ceased to be subsidiary w.e.f December 10, 2012) (Refer note 36)	India	91.50%	95.00%
Western UP Tollway Limited	India	51%	51%
NCC Infra Limited	India	100%	100%
Samashti Gas Energy Limited	India	100%	100%
Subsidiary of NCC Infrastructure Holdings Mauritius Pte. Limited			
Liquidity Limited	Mauritius	100%	100%
Al Mubarakia Contracting Co.LLC	Dubai	100%	100%
Subsidiary of Nagarjuna Construction Company International LLC			
NCCA International Kuwait General Contracts Company LLC	Kuwait	100%	100%
Jointly Controlled Entities of the Company			
Brindavan Infrastructure Company Limited	India	33.33%	33.33%
Bangalore Elevated Tollway Limited	India	38.00%	38.00%
Pondicherry Tindivanam Tollway Limited	India	47.80%	47.80%
Associates of the Company			
NCC Power Projects Limited (Refer note 46)	India	55%	55%
Jubilee Hills Landmark Projects Private Limited	India	25%	25%
Himalayan Green Energy Private Limited	India	50%	50%
Nagarjuna Facilities Management Services LLC	Dubai	49%	49%
Tellapur Technocity (Mauritius)	Mauritius	26%	26%
Tellapur Technocity Private Limited	India	26%	26%
Paschal Form Work (I) Private Limited	India	26%	26%
Apollonius Coal and Energy Pte. Ltd.	Singapore	43.96%	45.96%

32.1 In respect of subsidiary companies, NCC Urban Lanka (Private) Limited, where there are no transactions during the year and Naftogaz Engineering Private Limited which is in the process of dissolution have not been considered for consolidation.

32.2 In respect of Varapada Real Estates Private Limited a Jointly Controlled Entity and NR Avenues a Partnership Firm, the consolidation has been made on the basis of accounts compiled by the management.

32.3 In respect of the following Subsidiary and Associate Companies, the consolidation has been made on the basis of accounts compiled by the management:

Himachal Sorang Power Limited

Tellapur Technocity Private Limited

Jubilee Hills Landmark Projects Private Limited

Notes forming part of the Consolidated financial statements

- 33 Details of Pre-Operative Expenditure incurred during the year by subsidiaries and transferred to capital work-in-progress are as given below:

	(₹ in Million)	
	Year Ended March 31, 2013	Year Ended March 31, 2012
EMPLOYEE BENEFITS		
Salaries, Wages & Other allowances	-	99.52
Contribution to Provident funds	-	3.85
Staff welfare expenses	-	0.31
Total	-	103.68
FINANCE COST		
Interest on Secured Loans	-	897.81
Interest on Unsecured Loans & other Interest	-	78.61
Upfront Fee & Other Finance charges	-	210.80
Commission on Bank Guarantee	-	10.42
Bank Charges	-	0.07
Total	-	1,197.71
OTHER EXPENSES		
Administration Expenses	-	4.49
Security Expenses	-	4.73
Social responsibility	-	3.21
Rent	-	13.53
Repairs and Maintenance	-	0.99
Insurance	-	95.28
Rates & Taxes	-	4.89
Printing and Stationery	-	1.30
Electricity Charges	-	7.50
Postage, Telegrams and Telephones	-	1.94
Advertisement	-	0.96
Project Clearances	-	3.99
Professional charges	-	176.06
Auditors Remuneration	-	0.36
Travelling Expenses	-	24.18
Office Maintenance	-	6.39
Miscellaneous Expenses	-	62.24
Total	-	412.04
Grand Total	-	1,713.43

- 34 **Legal / Statutory Reserve**
As per Article 106 of the Commercial law of 1974 in the Sultanate of Oman, 10% of the Subsidiary Companies Net Profit is required to be transferred to a non-distributable legal reserve until the amount of the legal reserve equals one-third of the Company's issued share capital. Similarly, as per the provisions of the UAE Commercial Companies Act, 10% of the Subsidiary Companies Net Profit is required to be transferred to a non-distributable statutory reserve until the amount of the statutory reserve equals 50% of the Company's paid up share capital. Accordingly, the company has transferred an appropriate amount to the legal reserve.
- 35 In respect of a subsidiary NCC International Convention Centre Limited the Consortium of M/s. NCC Limited - NCC Infrastructure Holdings Limited, was awarded the Project for Development of Andhra Pradesh International Centre at New Delhi, on Public-Private - Partnership mode, by Government of Andhra Pradesh/ Infrastructure Corporation of Andhra Pradesh (INCAP) vide Letter of Award dated October 6, 2008.

Notes forming part of the Consolidated financial statements

In pursuance of the Letter of Award, the Consortium submitted Bank Guarantee for ₹ 50 million towards bid security. The Consortium also remitted an amount of ₹ 50 million towards Project Development Fee and requested for remittance of balance of Project Development Fee of ₹ 250 million at the time of execution of the Development Agreement and for submission of Performance Security at the time of achieving Financial Closure. In response, vide letter dated October 30, 2008, INCAP agreed for payment of Project Development Fee by the Consortium within 30 days submission of Performance Security at the time of execution of the Development Agreement.

As the development of the said project entailed an estimated investment of ₹ 10,640 million, to avail financial assistance from Bank (s), the Consortium addressed several letters to INCAP requesting them to provide documents relating to title deeds. But, the title documents relating to the project land were not furnished by INCAP.

Subsequently, Govt. of A.P vide G.O.Ms.No.8 dated February 20, 2009 cancelled the Letter of Award (LOA)dated October 6, 2008, alleging certain defaults on the part of the Consortium. As the alleged grounds of cancellation are baseless, the Consortium challenged the said cancellation of the Project and filed Writ Petition (WP No.3589/2009) before the High Court of Andhra Pradesh. During the pendency of the Writ Petition, the Govt. of Andhra Pradesh/ INCAP were directed to maintain status- quo with regard to the Bank Guarantee submitted against Bid Security.

The Hon'ble Single Judge vide his Orders dated June 26, 2009 dismissed W.P.No 3589/2009. Challenging the said orders, the Consortium filed Writ Appeal (W A MP 1771 of 2009 in WA No. 891/2009). As stay of operation of the orders of the Single Judge was not granted, INCAP encashed the Bank Guarantee for ₹ 50 million, provided towards Bid Security.

As per the Request for Proposal, Project Development Fee has to be remitted by the Developer (Consortium) and in view of the cancellation of LOA by the Government of Andhra Pradesh, the consortium cannot be deemed to be Developer. Accordingly, the consortium filed a Writ Appeal (W A M P No. 1805 2009 in WA no: 81 of 2009) seeking an order for refund of Project Development Fee of ₹ 50 million paid to INCAP.

The appeal and the petitions are to be listed for final hearing. Based on the Legal Counsel's opinion, that the company has fair chances success in the Writ Appeal, the management is confident of recovering the Project Development Fee of ₹ 50 million paid to INCAP.

Pending the outcome of the Writ Appeal the accounts of the subsidiary company have been drawn up on a going concern basis and the amount of ₹ 50 million paid towards Project Development Fee to INCAP has been shown as receivable from INCAP and grouped under Other Current Assets (Refer note 21).

36 Sale of investments by a subsidiary NCC Infrastructure Holdings Limited in Himachal Sorang Power Limited

During the year, NCC Infrastructure Holdings Limited (NCC IHL) a wholly owned subsidiary of NCC Limited, together with IL & FS Energy Development Company Limited (IEDCL), NCC Limited, Infrastructure Leasing and Financial Services Limited (ILFS), and Himachal Sorang Power Limited (HSPL) have entered into a Securities Purchase Agreement (SPA) on September 19, 2012 with TAQA Jyothi Energy Ventures Private Limited (TAQA) for sale of Equity Shares and Zero Coupon Irredeemable Fully Convertible Debentures (ZCD) at a total consideration of ₹ 2,783.30 million.

Further, NCCIHL along with NCC Limited and IEDCL entered into a Share Holders Agreement (SHA) with TAQA, pursuant to which NCCIHL has transferred the control of operations to TAQA effective from December 10, 2012.

The SPA, amongst other terms provides the following:

a) Sale of securities in two tranches:

- i) 'Initial Sale' – 5% of Equity Shares (152,810 Equity Shares held by NCC IHL and 65,490 Equity Shares held by IEDCL) and sale of entire 13,643,000 ZCDs for a consideration of ₹ 2,167.57 million (NCC IHL – ₹ 1,183.28 million and IEDCL – ₹ 984.29 million).
- ii) 'Subsequent Sale' – balance of 95% of Equity Shares (3,991,490 Equity Shares held by NCC IHL; 3,400 Equity Shares held by NCC Limited and 152,810 Equity Shares held by IEDCL) to be transferred after receiving the requisite approvals for a consideration of ₹ 615.73 million (NCC IHL – ₹ 589.52 million; NCC – ₹ 0.50 million and IEDCL – ₹ 25.71 million).

- b) The project cost is fixed at ₹ 8,900 million and is to be completed by March 31, 2013. Any cost escalations are to be borne by NCC IHL. However, if such cost escalations are due to force majeure reasons, such escalations will be shared between, NCC IHL and IEDCL as per the terms of the Interse agreement dated October 9, 2012.

Notes forming part of the Consolidated financial statements

c) NCCIHL to provide the following Bank Guarantees:

- i) Security Bond I for ₹ 360 million, valid till September 30, 2013, in favour of TAQA to exercise the rights vested therein.
- ii) Security Bond for ₹ 590 million to ensure transfer of the balance Equity Shares held by NCC IHL and NCC Limited.

As per the terms of the agreement:

- NCC IHL has out of its share of consideration has received ₹ 1,682.80 million (including advance sale consideration received ₹ 499.54 million, Refer Note 11) and the balance of ₹ 90 million is to be received on fulfilment of conditions of SPA. Accordingly NCC IHL has completed initial sale of shares and ZCDs. NCC Limited is in receipt of consideration of ₹ 0.50 million.
- The aforesaid guarantees have been furnished to TAQA before March 31, 2013.
- The Company has estimated cost escalations for project overrun aggregating to ₹ 519.57 million, which has been adjusted against the sale consideration received from sale of Shares and Debentures. Accordingly, the loss on such sale aggregating to ₹ 18.67 million has been accounted in the Statement of Profit and Loss.

Pending fulfilment of the obligations by the parties concerned, as per the terms of the agreement, and the consequent approvals required from appropriate authorities, the subsequent sale has not been consummated. Accordingly, the Company has classified such amounts under Current Investments.

37 The subsidiary NCC Infrastructure Holdings Limited which has invested in Equity Shares and / or in Preference Shares or has advanced monies in the following companies have incurred losses during the year and also have accumulated losses as at the end of the reporting period

i) Western UP Tollway Ltd (ii) Bangalore Elevated Tollway Limited (iii) Pondicherry Thindivanam Tollway Limited

Management is of the opinion that the erosion in the value of the investment and present financial position of these companies is 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.

38 In respect of subsidiary Nagarjuna Construction Company Limited and Partners LLC as at March 31, 2013 the company had accumulated losses of OMR 1.51 million equivalent to ₹ 208.93 million and net liabilities of OMR 1.33 million equivalent to ₹ 187.76 million. These factors, amongst others, indicate that the Company shall require continued financial support from its members. The financial statements have been prepared on the going concern basis on the assumption that the Members of the Company will continue to provide the necessary financial support.

The Company's Members have confirmed that they shall continue to support and provide the necessary financial assistance to the Company and on the strength of this assurance, the financial statements have been prepared on the going concern basis.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

39 In respect of a subsidiary OB Infrastructure Limited, during the financial year ended March 31, 2012 the company had received the Provisional completion certificate from Independent Consultant on July 11, 2011 was effective from June 30, 2009. Hence the subsidiary company was entitled to receive the annuity from National Highway Authority of India with effect from June 2009. Annuity received during the financial year 2011-12 includes ₹ 1,571.80 million pertaining to the period July 1, 2009 to March 31, 2011. Complying with the principle of matching concept of accounting, the expenditure of revenue nature which was incurred during the period July 1, 2009 to March 31, 2011 including borrowing cost aggregating to ₹ 808.88 million was charged to the statement of profit and loss. The amount of Amortization of carriageway for the period July 1, 2009 to March 31, 2011 was also charged to the statement of Profit and Loss.

40 Employee Benefits

Liability for retiring gratuity as on March 31, 2013 is ₹ 97.56 million (31.03.2012: ₹ 93.20 million) of which ₹ 52.40 million

Notes forming part of the Consolidated financial statements

(31.03.2012: ₹ 41.77 million) is funded with the Life Insurance Corporation of India. The balance of ₹ 45.16 million (31.03.2012: ₹ 51.43 million) is included in Provision for Gratuity.

The liability for retiring gratuity as on March 31, 2013 in respect of employees working with branches outside India is ₹ 0.20 million (31.03.2012: ₹ 0.63 million).

The liability for retiring gratuity as on March 31, 2013 in respect of subsidiary companies NCC Infrastructure Holdings Limited is ₹ 1.57 million (31.03.2012: ₹ 2.82 million), NCC Urban Infrastructure Limited is ₹ 9.38 million (31.03.2012: ₹ 6.61 million), OB Infrastructure Limited is ₹ 0.05 million (31.03.2012: 0.10 million), Western UP Tollway Limited ₹ 0.19 million (31.03.2012: ₹ 0.19 million), Nagajuna Construction Co. International LLC ₹ 113.05 million (31.03.2012: ₹ 85.21 million), Nagajuna Constructing Company LLC ₹ 7.70 million (31.03.2012: ₹ 7.39 million), Al Mubarakia Contracting Co. LLC ₹ 2.47 million (31.03.2012: ₹ 2.80 million), NCC Power Projects Limited ₹ Nil (31.03.2012: ₹ 1.42 million) and Himachal Sorang Power Limited ₹ Nil (31.03.2012: ₹ 1.19 million).

- 41 Adjustment to Net consolidated profit represents the carried forward losses and the minorities share of loss in respect of Himachal Sorang Power Limited which has ceased to be a subsidiary with effect from December 10, 2012.

42 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Accounting Standard – 17. During the year under report, substantial part of the Company's business has been carried out in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary. The Company's operations outside India do not qualify as reportable segments as the operations are not material.

43 Earnings per share

	Year Ended March 31, 2013	Year Ended March 31, 2012
Net Profit after tax available for equity shareholders (₹ in million)	563.82	549.14
Weighted Average number of equity shares for Basic EPS (Nos)	256,583,810	256,583,810
Weighted Average number of equity shares for Diluted EPS (Nos)	256,583,810	256,583,810
Face value per share (₹)	2.00	2.00
Basic & Diluted EPS * (₹)	2.20	2.14

*The Company has no dilutive instruments during the year ended March 31, 2013. As such Dilutive Earnings per share equals to Basic Earnings per share

- 44 In respect of an associate Himalayan Green Energy Private Limited, Ministry of Environment and Forest (MOEF) vide its letter dated October 8, 2008 had ordered a restriction on the construction of dams and large scale development activities above a specified area in which the project of the company is situated. However, on further studies the MOEF had vide its letter dated May 31, 2010 permitted the company to conduct the geological investigation and hydrological studies. However, as on March 31, 2012 due to certain local issues and resistance, the survey and investigation works was not carried out. The management is confident of the technical and financial viability of the project and obtaining all the requisite permissions and clearances and achieving the financial closure.

Meanwhile, the Government of Sikkim vide letter dated December 5, 2011 has issued a show cause notice regarding termination of Implementation Agreement on account of non-compliance of various mandatory provisions of the Implementation Agreement. The company has applied to the Government of Sikkim for extending the Implementation Agreement. However, the Government of Sikkim has cancelled the Implementation Agreement on June 22, 2012 without citing any reasons. Since, NCC Limited is very keen to pursue development of this Project, it has represented to the Government of Sikkim to re-consider the cancellation of the Implementation Agreement and allow the company to develop this Project. Company filed Writ Petition (WP (C) No.43 of 2012) on November 1, 2012 before the Hon'ble High Court of Sikkim and same was taken up for hearing on November 21, 2012 and ordered the Government of Sikkim for filing their Counter on February 19, 2013. On February 19, 2013 the State Government have filed their counter affidavit and 6 weeks time was given to us to file our rejoinder affidavit and the matter was posted on April 2, 2013 for hearing.

Further, the Hon'ble Court in its order of November 21, 2012 also directed that State Government of Sikkim shall not in the mean time create any 3rd party right in respect of the aforesaid project cancelled by the impugned order of the State Government of Sikkim and that State Government of Sikkim will ensure the protection of the property of the Company, if any, lying at Project site.

Notes forming part of the Consolidated financial statements

Company is confident that High Court of Sikkim will give a verdict in favor of the company and is confident of setting up the Project.

In spite of the adverse developments, management is confident about the technical and financial viability of the project; obtaining all the requisite permissions, clearances; achieving the financial closure and successful execution of the project. Accordingly accounts for the year have been drawn on going concern basis and interest expenditure, for the year under review, incurred on unsecured loans and other revenue expenditure, have been charged off to statement of profit and loss.

- 45 In respect of a subsidiary Western UP Tollway Limited Capital Reserve includes group share of ₹ 287.54 million (31.03.2012: ₹ 287.54 million) and in respect of share from Jointly Controlled Entity Pondicherry Tindivanam Tollway Limited of ₹ 215.10 million towards equity support received from National Highways Authority of India during the construction period.
- 46 The Group is proposing to sell / dilute its stake in NCC Power Projects Limited (NCCPPL), and the Control in the subsidiary is intended to be temporary and accordingly, NCCPPL is considered as an 'Associate' in the Consolidated Financial Statements.
- 47 **Leases**
- (i) Rental expenses of ₹ 461.78 million (31.03.2012: ₹ 516.11 million) has been charged to Statement of Profit and Loss in respect of cancellable operating lease.
- (ii) The Company has entered into Operating Lease arrangement for certain equipments. The lease is non-cancellable for a period of 5 years from March 28, 2013 to March 27, 2018.

(₹ in Million)

	Year Ended March 31, 2013	Year Ended March 31, 2012
Future Minimum Lease Payments		
Not later than one year	130.93	-
Later than one year and not later than five years	523.70	-
Later than five years	-	-
Total	654.63	-
Lease payments recognised in the statement of Profit and Loss	1.15	-

(iii) Deductions / Adjustments to include certain assets sold and taken on operating lease by the company during the current year aggregating to ₹ 557.15 million. The resultant profit of ₹ 0.29 million on such sale has been recognized in Statement of Profit and Loss. The applicable lease rents, pursuant to the arrangement has been charged to Statement of Profit and Loss.

- 48 Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / disclosure.

For and on behalf of the Board

R.S. RAJU
Sr. Vice President (F&A)

A.A.V. RANGA RAJU
Managing Director

M.V. SRINIVASA MURTHY
Company Secy. & Sr. V.P (Legal)

A.G.K. RAJU
Executive Director

Hyderabad, May 22, 2013

Financial information of Subsidiary and Step down Subsidiary Companies for the Financial Year ended 31st March 2013, pursuant to Section 212 of the Companies Act, 1956

(₹ in Million)

Sl. No	Name of the Subsidiary/Step-down subsidiary Company (1)	Issued and Subscribed Share Capital (2)	Reserves (3)	Total Assets (4)	Total Liabilities (Excluding 2&3) (5)	Investments (6)	Turnover (7)	Profit/(Loss) before taxation (8)	Provision for taxation (9)	Profit / (Loss) after taxation (10)	Proposed Dividend (11)
1	NCC Infrastructure Holdings Ltd	1463.32	4167.77	7346.00	1714.91	1971.46	15.91	(72.60)	-	(72.60)	-
2	NCC Urban Infrastructure Limited	1500.00	43.50	7101.26	5557.76	-	2135.09	41.87	6.59	35.28	-
3	NCC Vizag Urban Infrastructure Limited	526.25	(5.07)	1621.74	1100.56	-	-	(0.46)	-	(0.46)	-
4	Nagarjuna Construction Company Limited & Partners – LLC	21.16	(208.92)	44.01	231.77	-	10.70	5.62	0.84	4.78	-
5	OB Infrastructure Ltd	147.57	1344.33	4917.76	3425.86	-	896.40	(6.18)	14.99	(21.17)	-
6	NCC Infrastructure Holdings Mauritius PTE Ltd	1459.32	367.68	3614.78	1787.78	1186.93	151.47	39.95	1.19	38.76	-
7	Nagarjuna Construction Company International LLC,	719.53	1410.78	11039.22	8908.91	-	7940.41	251.26	-	251.26	-
8	Nagarjuna Contracting Co. LLC	4.43	936.97	4990.16	4048.76	-	315.12	10.71	-	10.71	-
9	Patnitoop Ropeway & Resorts Limited	22.55	(1.94)	20.83	0.22	-	-	(0.05)	-	(0.05)	-
10	Western UP Tollway Ltd	100.75	1154.22	7195.74	5940.77	-	783.99	(226.16)	(0.03)	(226.13)	-
11	Vaidehi Avenues Ltd	45.10	(0.50)	44.77	0.17	-	-	(0.03)	-	(0.03)	-
12	NCC International Convention Centre Limited	10.00	(6.47)	50.02	46.50	-	-	(14.23)	-	(14.23)	-
13	NCC Oil & Gas Limited	0.50	(0.13)	0.39	0.02	-	-	(0.02)	-	(0.02)	-
14	Nagarjuna Construction Company(Kenya) Limited	0.01	(0.04)	0.09	0.12	-	-	(0.04)	-	(0.04)	-
15	Liquidity Limited	6.89	(4.19)	6.57	3.87	6.49	-	(0.66)	-	(0.66)	-
16	Dhatni Developers & Projects (P) Ltd.	1.00	(0.16)	63.90	63.06	-	-	(0.02)	-	(0.02)	-
17	Sushanti Avenues (P) Ltd.	1.00	(0.03)	46.73	45.76	-	-	0.03	0.01	0.02	-
18	Sushrta Real Estates (P) Ltd.	1.00	(0.12)	17.73	16.85	-	-	(0.02)	-	(0.02)	-
19	PRG Estates (P) Ltd.	0.10	34.00	55.02	20.92	-	-	0.03	0.01	0.02	-
20	Thirleya Real Estates (P) Ltd.	1.15	26.27	44.58	17.16	-	-	0.03	0.01	0.02	-
21	Varma Infrastructure (P) Ltd.	0.10	49.64	67.30	17.56	-	-	0.03	0.02	0.01	-
22	Nandyala Real Estates (P) Ltd.	1.16	26.07	57.23	30.00	-	-	0.01	0.005	0.005	-
23	Kedarnath Real Estates (P) Ltd.	1.71	31.57	49.00	15.72	-	-	0.02	0.01	0.01	-
24	AKHS Homes (P) Ltd.	0.50	(0.02)	31.16	30.68	-	-	0.02	0.01	0.01	-
25	JIC Homes (P) Ltd.	0.50	0.02	18.37	17.85	-	-	0.04	0.02	0.02	-
26	Sushanthi Housing (P) Ltd.	0.50	0.01	17.48	16.97	-	-	0.03	0.01	0.02	-
27	CSVS Property Developers (P) Ltd.	0.50	0.02	18.42	17.90	-	-	0.04	0.02	0.02	-
28	Vera Avenues (P) Ltd.	0.50	(0.01)	14.12	13.63	-	-	0.03	0.01	0.02	-
29	Sri Raga Nivas Property Developers (P) Ltd.	0.50	(0.03)	33.59	33.12	-	-	0.02	0.01	0.01	-
30	VSN Property Developers (P) Ltd.	0.50	(0.03)	33.63	33.16	-	-	0.02	0.01	0.01	-
31	M A Property Developers (P) Ltd.	0.50	0.01	17.48	16.97	-	-	0.03	0.01	0.02	-
32	Vara Infrastructure (P) Ltd.	0.50	(0.08)	0.48	0.06	-	-	(0.01)	-	(0.01)	-
33	Sri Raga Nivas Ventures (P) Ltd.	0.50	(1.59)	0.70	1.79	-	-	(0.64)	-	(0.64)	-
34	Malleivanam Property Developers (P) Ltd.	0.50	(0.02)	9.90	9.42	-	-	0.02	0.01	0.01	-
35	Sradha Real Estates (P) Ltd.	0.50	(0.08)	0.48	0.06	-	-	(0.01)	-	(0.01)	-
36	Sri Pada Homes Private Limited	0.50	(0.08)	0.48	0.06	-	-	(0.01)	-	(0.01)	-
37	NJC Avenues Pvt Ltd	0.50	(0.86)	1331.11	1331.47	-	-	(0.11)	-	(0.11)	-
38	NCC Urban Lanka Infrastructure Limited	0.000007	-	0.000007	-	-	-	-	-	-	-
39	Nagarjuna Suites Private Limited	0.10	-	0.10	-	-	-	(0.01)	-	(0.01)	-
40	AI Mubarkia Contracting Co. LLC	14.78	7.59	1284.53	1262.16	-	49.62	0.68	-	0.68	-
41	NCCA International Kuwait General Contracting Company LLC	47.71	(15.61)	45.96	13.86	-	-	(13.22)	-	(13.22)	-
42	Samashti Gas Energy Limited	0.50	(12.40)	0.48	12.38	-	-	(6.57)	-	(6.57)	-
43	NCC Infra Limited	0.50	(0.04)	0.48	0.02	-	-	(0.02)	-	(0.02)	-
44	NCC Urban Homes Private Ltd	0.10	(0.01)	0.12	0.03	-	-	(0.01)	-	(0.01)	-
45	NCC Urban Ventures Private Ltd	0.10	(0.01)	0.12	0.03	-	-	(0.01)	-	(0.01)	-
46	NCC Urban Meadows Private Ltd	0.10	(0.01)	0.12	0.03	-	-	(0.01)	-	(0.01)	-
47	NCC Urban Villas Private Ltd	0.10	(0.01)	0.12	0.03	-	-	(0.01)	-	(0.01)	-

Note:

1) Exchange rate as on 31.03.2013: Rial Omani = ₹ 141.085, AED = ₹ 14.78, US\$ = ₹ 54.3, KWD = ₹ 190.85, KES = ₹ 0.63

Notes

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Notes

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Notes

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REGIONAL OFFICES

1. Ahmedabad

211-212, Sarthik – II
Opp. Rajpath Club
Sarkhej - Gandhinagar Highway
Ahmedabad - 380 054
Tel: 91-079-26871478/69
Email: ro.ahmd@nccltd.in

2. Bengaluru

301, Batavia Chambers
8, Kumara Krupa Road
Kumara Park East Bangalore-560 001
Tel: 91-080-22258991
Email: ro.blr@nccltd.in

3. Bhopal

Plot No.25, Deepak Housing Society
Kolar Road, Chuna Bhatti
Bhopal-462016
Tel: 91-0755-2428784
Email: ro.bhopal@nccltd.in

4. Bhubaneshwar

3rd Floor, 98, Keshari Complex
Kharavela Nagar,
Bhubaneshwar – 751001
Tel: 91-0674-2393059
Email: ro.bbnr@nccltd.in

5. Chennai

No.190 A, 7th & 8th Floors
Pettukola Towers, Poonamalle
High Road, Chennai-600 010
Tel: 91-044-25323030
Email: ro.chennai@nccltd.in

6. Delhi

9th Floor JMD Regent Square, DLF
Qutab Enclave, Phase II, Mehrauli -
Gurgaon Road, Gurgaon - 122 002,
Haryana
Tel: 91-0124-2357493/494/59
Email: ro.delhi@nccltd.in

7. Kochi

Sherwali, CC 44/1725-A Perandoor
Road, Opp. Masthan Tower
Kaloore Cochin – 682017
Tel: 0484-2530160
Email: ncckochi@vsnl.net

8. Lucknow

23, Srijan Vihar Vipul Khand
Gomti Nagar
Near Sahara Shahr
Lucknow - 226010
Tel: 91-0522-2990231
Email: ro.lucknow@nccltd.in

9. Mumbai

B-402, Dipti Classic
Off M V Road, Suren Lane
Andheri (E), Mumbai-400 093
Tel:-91-022-26826790
Email: ro.mumbai@nccltd.in

10. Kolkata

ECO Space Business Park
Block No-4A, 5th Floor
New Town Action Area-II,
Kolkata - 700156 (WB)
Tel: 91-033-40298888
Email: kolkatta@

OVERSEAS OFFICES

*Dubai



*Muscat

*Doha

*Riyadh







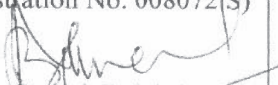

FORM A

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1.	Name of the Company:	NCC Limited
2.	Annual standalone financial statements for the year ended	March 31, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signed by: Hyderabad May 22, 2013	
	Mr. A. A. V. Ranga Raju Managing Director	ARCO
	A. G. K. Raju Executive Director	AGK
	M. V. Srinivasa Murthy Company Secretary & Sr. V.P (Legal)	
	Mr. R. S. Raju Chief Financial Officer	
	Mr. R.V Shastri Chairman of Audit Committee	
	Statutory Auditors of the company	Refer our Audit Report dated May 22, 2013 on the standalone financial statements of the Company
	M. Bhaskara Rao & Co.	<p>For M. BHASKARA RAO & Co. Chartered Accountants (Firm Registration No. 000459 S)</p>  <p><i>Chamara</i> M. V Ramana Murthy Partner Membership No. 206439 Hyderabad, May 22, 2013</p>
	Deloitte Haskins & Sells	<p>For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 008072 S)</p>  <p><i>Ganesh</i> Ganesh Balakrishnan Partner Membership No. 201193 Hyderabad, May 22, 2013</p>

FORM B

Format of covering letter of the Annual Audit Report to be filed with the Stock Exchanges

1	Name of the Company	NCC Limited
2	Annual financial statements for the year ended	March 31, 2013
3	Type of Audit observation	Qualified
4	Frequency of observation	Repetitive
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	<p>In respect of the following Subsidiary, Jointly Controlled Entity, Partnership Firm and Associates Companies, the Consolidation has been made on the basis of the accounts complied by the management:</p> <ul style="list-style-type: none"> • Himachal Sorang Power Limited • Varapradha Real Estates Private Limited • NR Avenues • Tellapur Technocity Private Limited • Jubilee Hills Land Mark Projects Private Limited
6	Additional comments from the board/audit committee chair	There were no material transactions, in these entities during the year which has an impact on the NCC Group's Financial position performance for the year ended March 31, 2013.
7	Signed by- Hyderabad, May 22, 2013	
	A.A.V Ranga Raju Managing Director	
	A.G.K Raju Executive Director	
	M.V.Srinivasa Murthy Comapany Secretary &Sr.V.P(Legal)	
	R.S. Raju Sr. Vice President (F&A)	
	Mr. R.V. Shastri Chairman of Audit Committee	
	Statutory Auditors of the Company M. Bhaskara Rao & Co	<p>Refer our Audit Report dated May 22, 2013 on the Consolidated Financial Statements of the Company</p> <p align="right">For M. Bhaskara Rao & Co. Chartered Accountants (Firm Registration No. 000459S)</p> <p align="right"> M.V. Ramana Murthy Partner Membership No. 206439 Hyderabad, May 22, 2013</p>
	Deloitte Haskins & Sells	<p align="right">For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 008072(S))</p> <p align="right"> Ganesh Balakrishnan Partner Membership No. 201193 Hyderabad, May 22, 2013</p> <p align="center"></p>