

**NATIONAL
BUILDINGS
CONSTRUCTION
CORPORATION
LIMITED**



52nd annual
R E P O R T
2011 - 2012



Gong Ceremony on April 12, 2012 at BSE Limited, Mumbai

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including annual report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to register the same with National Buildings Construction Corporation Limited or our R & T Agent (M/s Bigshare Services Private Limited) to enable the Company to send the Annual Reports through e-mail instead of physical form.

Registered & Corporate Office

National Buildings Construction Corporation Limited

(A Government of India Enterprise)
NBCC Bhawan, Lodhi Road,
New Delhi - 110003
Tel. : 011-24367314, 43591555 (EPABX)
Fax: 91-11-24366995
e-mail: info.nbcc@nic.in
Website: www.nbccindia.gov.in

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Bankers

State Bank of India
Punjab National Bank
Union Bank of India
Corporation Bank
Axis Bank
Syndicate Bank

Auditors

M/s. Amit Ray & Co
Chartered Accountants
709-710, Ansal Chamber-II
6, Bhikaji Cama Place
New Delhi-110066

CHAIRMAN'S ADDRESS....



Dear Shareholders,

I have immense pleasure in welcoming you all at the 52nd Annual General Meeting of the Company after listing on NSE & BSE in the second week of April this year. Memories are fresh in my mind about the historic Gong Ceremony marking the commencement of trading in company's shares on these stock exchanges. The Notice of the meeting together with Directors' Report and Audited Annual Accounts for the financial year ending on 31.3.2012 has already been circulated and with your permission, I take them as read.

I would like to begin with the unique characteristic of your Company which is the only Public Sector Undertaking operating in three segments viz., (i) Project Management Consultancy; (ii) Civil Construction for Infrastructure Power Projects; and (iii) Real Estate Development. The Company's prime engagement remains confined in the core area of Project Management Consultancy occupying more than 90% of its top line. The Company has obtained ISO Certification 9001:2008 from the Bureau of Indian Standards in respect of the Project Management & Consultancy Division.

The Company's client base is restricted to Central Government organizations, departments, ministries. Also, the Company is executing infrastructure and other developmental projects in few 'States' under the centrally sponsored schemes/projects. The slow down of economy with GDP growth sliding to 5.3% in the three months to March, from a robust positioning of 9.2% in the same period last year, has not made any major impact on the Company either on its working operations or upon the development of new business. Here, I would like to share with you that a few old government colonies have been identified for re-development to build different category of accommodation for officials of the central government. Re-development of such localities in the capital is expected to generate sizeable volume of business to the Company in coming times. Already, one work of this type having project cost of Rs.4264 crore has been entrusted to the Company at a project management fee of 10% for building 4747 dwelling units of different categories upon demolishing

around 2330 old houses at East Kidwai Nagar, New Delhi. Similarly, three other projects of this kind are in pipeline for which the Company has taken up initiatives for preparation of DPRs.

The performance of the Company has been impressive during fiscal 2011-12. Net profit increased by 36% from Rs. 140.34 crore to Rs. 190.17 crore with top line upwardly moving by 10% from Rs.3126.77 crore to Rs. 3429.32 crore in comparison to previous year. The Company issued fully paid bonus shares of Rs. 30 crore during the financial year 2011-12 whereby the paid-up capital increased from Rs. 90 crore to Rs. 120 crore and earning per share on the expanded capital was maintained slightly higher at Rs. 15.85 as against Rs. 15.59 in the previous year. The net worth at the close of the financial year 2011-12 stood at Rs. 795.49 crore being 6.63 times of the paid-up capital of the Company. The Comptroller and Auditor General of India has conducted a supplementary audit and offered 'nil' comments on the accounts of the Company for the year ended 31st March, 2012.

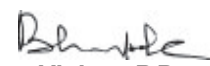
Your Company has been signing Memorandum of Understanding with the Government of India every year. Based on MoU parameters, the performance has been rated 'Excellent' since the year 2003-2004.

The Company has comfortable work order in hand of Rs. 13200 crore excluding real estate turnover. An eight storied commercial complex, NBCC Centre, Okhla, New Delhi having 225833 sqft. built up space is likely to be completed by March, 2013. Part sale of office space and shops in NBCC Centre and partial sale of dwelling units in two other residential complexes in Gurgaon is expected to generate fair revenue thereby improving the overall margins of the Company during the current fiscal.

Geographically, the operations of the Company are spread in almost all parts of the country through its on-going projects numbering around 150. The Company has developed expertise in execution of hospitals on turn key basis for esteemed client like ESIC and other state Governments. Few clients such as MHA, DVC, NTPC, EPFO etc. having reposed their confidence in your Company, have given repeat orders from time to time. I would like to make a mention about first Green Building project executed with captive solar power, solar heating and energy saving system, iconic Gold Rated - Green Building, executed by your Company, for Ministry of Corporate Affairs at Manesar, Haryana was inaugurated by the Hon'ble Prime Minister of India in April, 2012. Your Company would continue to construct more Green Buildings and environmental projects. The Green Building having 5-Star GRIHA rating for Ministry of New and Renewable Energy (MNRE) and Platinum rating for Coal India Limited at Kolkata are under execution.

Your Company is committed to implement best practices of corporate governance to observe total transparency and complete disclosures to all the stakeholders. Annual financial results of the Company have been drawn in conformity with the Accounting Standards, meetings of the audit committee and other sub-committees of the board of directors are being regularly convened. The Company has adopted Code of Business Ethics and Conduct and all board members and key management personnel have affirmed compliance to the 'Code of Conduct' for the financial year ending on March 31, 2012. As per directives of the Department of Public Enterprises, fixed percentage of the net profit of the Company has been allocated under a non-lapsable fund for undertaking CSR activities. Similarly, budget allocation has been provided for and policy formulation are under way for 'Sustainable Development' and 'Research & Development' programmes.

I express my sincere thanks to the Ministry of Urban Development, Ministry of Housing & Urban Poverty Alleviation, Ministry of Home Affairs, Ministry of Defence, Ministry of Rural Development, Ministry of Commerce, Ministry of Finance, various Departments of Government of India/State Governments and Clients Organizations, PSUs etc. for their valued support and look forward to continued support in future. I would also wish to place on record the invaluable support and guidance from all members of the Board of Directors. I would also place on record my appreciation to the employees for their commitment in the progress of the Company.


Vishnu P.Das

Chairman-cum-Managing Director

BOARD OF DIRECTORS



Vishnu P. Das
Chairman-cum-Managing Director



D. Diptivilasa
Addl. Secretary (UD), MoUD



Ms. Sudha Krishnan
Joint Secretary & FA, MoUD



Anoop K. Mittal
Director (Projects)



Brijeshwar Singh
Director



K L Mehrotra
Director



Subhash C Saraf
Director



Dr. K Chandrashekhhar Iyer
Director



Prof. V K Gupta
Director

NOTICE

Notice is hereby given that the **52nd Annual General Meeting** of the members of National Buildings Construction Corporation Limited will be held on Saturday, the **September 8, 2012** at **1030 hrs** at **Air Force Auditorium, Subroto Park, New Delhi-110010**, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts as at March 31, 2012 and the reports of the Directors' and Auditors' thereon.
2. To declare dividend for the financial year 2011-12.
3. To fix and/or determine the payment of remuneration to the Auditors of the Company to be appointed by the Comptroller and Auditor General of India for auditing the accounts of the Company for the financial year 2012-13.

SPECIAL BUSINESS

4. To consider and pass the following resolution with or without modification as special resolution:

"RESOLVED THAT pursuant to the provision of Section 31 and such other applicable provisions, if any of the Companies Act, 1956, the Articles of Association of the Company be altered by inserting the following new Clause 59A after existing Clause 59 in the Articles of Association:-

"The sitting fee payable to a Director (excluding Managing Director and Whole Time Director) of the Company for attending a meeting of the Board or Committee thereof shall be fixed by the Board of Directors or Committee of the Board from time to time within the maximum limit of such fee (subject to provision of tax deduction at source under the Income Tax Act or Service tax as applicable from time to time) that may be prescribed under the proviso to Section 310 of the Companies Act, 1956 and rules made thereunder."

RESOLVED FURTHER THAT Mr. A.K. Singh, Company Secretary of the Company, be and is hereby authorized to sign and file e-forms, documents etc. as may be required to be filed with the Registrar of Companies NCT of Delhi & Haryana on behalf of the Company"

By order of the Board of Directors

Place : New Delhi
Date : August 13, 2012

Sd/-
A.K. Singh
Company Secretary

NOTES:

1. **A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the Proxy need not to be a member of the Company. Proxy in order to be effective must be received by the company not less than 48 hours before the meeting. (Form of Proxy is Annexed).**
2. The explanatory statement pursuant to the provisions of the Section 173(2) of the Companies Act, 1956, in respect of above resolution is at Annexure -I.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **Saturday, September 1, 2012 to Saturday, September 8, 2012 (both days inclusive)**. The dividend on equity shares, as recommended by the Board of Directors, is subject to the provisions of Section 206(A) of the Companies Act, 1956.
4. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holding in one folio.
5. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification.
6. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the meeting.
7. In view of SEBI requirement of compulsory delivery of shares of the Company in dematerialized form, members are requested to convert their physical share certificates into electronic form.
8. The Securities and Exchange Board of India (SEBI) vide Circular dated April 27, 2007, had made PAN mandatory for all securities market transaction. Thereafter, vide Circular dated May 20, 2009 it was clarified that for securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for

the transferee(s) to furnish copy of PAN Card to the Company/Registrar & Share Transfer Agents for registration of such transfer of shares.

9. The Company is concerned about the environment and utilizes natural resources in a sustainable way. In the year 2011, the Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in Corporate Governance.

Recognizing the spirit of the circular issued by the MCA, Company henceforth propose to send documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, Auditors' Report, etc. to the email address provided by the members with their depositories/ depository participants (DP).

Members are requested to update their email address with the depository participants to ensure that the annual report and other documents reach them at their preferred email address.

The members holding shares in physical mode may also send their request to the company by letter or by email at investors.nbcc@hotmail.com to receive the soft copy of the annual report by email instead of hard copy.

10. As per directive from Securities and Exchange Board of India (SEBI), Companies use Electronic Clearing Service (ECS) facility, introduced by Reserve Bank of India (RBI), for distributing dividends and other cash benefits to investors, wherever available. In this system, the investor's bank account is directly credited with the dividend amount based on the information provided by the Company, under advice to the investor.

Members holding shares in electronic form in demat account are requested to furnish their bank account numbers and details along with photocopy of a cheque pertaining to the concerned bank account, to their Depository Participant (DP) to avail the said ECS facility.

Members holding shares in physical mode are requested to **send the duly filled and signed mandate form** in the annual report for payment of dividend through ECS and to register their e-mail id.

11. 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, except Saturdays and Sundays, between 1400 hrs to 1600 hrs. upto September 7, 2012.

12. Members are requested to note:

- a. Copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of Annual Report, Notice and Attendance Slip.
- b. Deliver duly completed and signed Attendance Slip at the entrance of the meeting venue, as entry to the Hall will be strictly on the basis of the entry slip available at the counters at the venue to be exchanged with the Attendance Slip .
- c. Quote their Folio/Client ID & DP ID Nos. in all correspondence.
- d. Due to strict security reasons mobile phones, brief cases, eatables and other belongings are not allowed inside the Auditorium.
- e. No gifts/coupons will be distributed at the Annual General Meeting.

13. Pursuant to section 205A read with section 205C of the Companies Act, 1956 the dividend amounts which remain unpaid/unclaimed for a period of seven years, are required to be transferred to the Investors Education & Protection Fund of the Central Government. After such transfer, there remains no claim of the members whatsoever on the said amount. Therefore, Members are advised to encash their dividend warrants immediately on receipt.

14. Pursuant to Section 619(2) of the Companies Act, 1956 the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India(C&AG) and in terms of Clause(aa) of sub section (8) of section 224 of the Companies Act, 1956 their remuneration is to be fixed by the company in General Meeting or in such manner as the company in General Meeting may determine. It is proposed that the Members may authorize the Board of Directors to fix the remuneration in addition to applicable service tax and reimbursement of actual traveling and out of pocket expenses of the Statutory Auditors duly appointed by the Comptroller and Auditors General of India.

Sd/-
A.K.Singh
Company Secretary

- Encl:
1. **Directors' Report**
 2. **Statutory Auditors' Report**
 3. **Annual Accounts 2011-12**

Annexure-I

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

Item No. 1

As per DPE guidelines issued vide OM No. 18(8)/2005-GM dated 14.05.2010 in Para 3.2, all fees/compensation paid to part-time Directors including Independent Directors are required to be fixed by the Board of Directors subject to the provisions in the DPE Guidelines and the Companies Act, 1956. Accordingly, the Board of Directors of the Company approved the sitting fees of Rs. 10,000/- for each meeting of the Board & Rs. 7,500/- for each committee meeting or sub-committee meeting to part-time Non-official Directors in its 397th Board meeting held on May 24, 2011. Independent Directors were notified for appointment by the Government on 'Board' of the Company vide Office Order No. O-17031/1/2000-PS dated December 5, 2011. Sitting fees to the non-official part-time directors for attending each meetings of the Board of Directors/ meetings of the Committee of directors has been released as earlier decided by the 'Board' in its meeting on May 24, 2011.

Subsequently, the Company was converted from private limited company into a public limited company and listed with the National Stock Exchange of India Limited (NSE) and BSE Limited w.e.f. April 12, 2012.

The Companies Act, 1956 provides that a public company or a subsidiary of a public company shall include the provision for payment of sitting fees to part time directors for attending Board and sub-committee meetings in its Articles of Association.

Presently, the Articles of Association of the Company has no separate provisions for regulating sitting fees. The alteration proposed by adding a new Clause 59 A is to enable the Company to comply with the provisions of The Companies Act, 1956 and rules made there under.

All Directors (except Managing Director and Whole Time Directors) are directly or indirectly concerned or interested in the proposed business.

By order of the Board of Directors

Place : New Delhi
Date : August 13, 2012

Sd/-
A.K.Singh
Company Secretary

DIRECTORS' REPORT

To the members,

Your Directors take pleasure in presenting their 52nd Annual Report together with the audited statement of accounts for the financial year ended March 31, 2012.

FINANCIAL RESULTS

(₹ in crore)

INCOME	2011-2012	2010-2011
Turnover	3429.32	3126.77
Other Operating Revenue	18.36	19.28
Other Income	134.62	85.41
Extra Ordinary Items (Insurance claims)	13.52	-
Total Revenue (1)	3595.82	3231.46
EXPENDITURE		
Prime Cost	3051.24	2840.15
Increased/(decrease) in stock	47.19	-
Overheads		
i) Employees Benefit Expenses	157.21	128.97
ii) Other Expenses	41.25	34.21
iii) Write offs	2.88	11.18
iv) Prior Period Expenses	(3.13)	(0.21)
Total (2)	3296.64	3014.30
Gross Margin (1-2)	299.18	217.16
Less : Depreciation	1.96	3.21
Less: Exceptional Item (Interest)	7.39	4.32
Net Profit Before Tax (PBT)	289.83	209.63
Less :		
i) Provision for Current Tax	102.85	69.15
ii) Deferred Tax (Assets)/Liabilities	(3.19)	0.14
Net Profit After Tax (PAT)		
For the year	190.17	140.34
New Business secured	3933.72	3055.82
Balance work in hand	8162.21	7657.81

Your Company registered a growth of 10% in turnover from Rs. 3126.77 crore in 2010-11 to Rs. 3429.32 crore in 2011-12, Gross margin increased from Rs. 217.16 crore in 2010-11 to Rs.299.18 crore in 2011-12 before interest and depreciation. After deducting interest of Rs. 7.39 crore, providing a sum of Rs. 1.96 crore towards depreciation, income tax provision of Rs. 102.85 crore and Deferred Tax (Assets) of Rs.3.19 crore; the Company operations resulted in a Net Profit of Rs. 190.17 crore in 2011-12 as against Rs. 140.34 crore in 2010-11.

DIVIDEND

Your directors have recommended equity dividend of Rs. 3.50 per share of face value of Rs. 10/- (35% on the paid up equity share capital) for the approval of the members for the financial year 2011-12.

After approval by the members, the dividend will be paid to those equity shareholders whose names appear in the Register of Members at the close of the 52nd Annual General Meeting.

MoU PERFORMANCE

MoU for the year 2012-13 has been executed on 15th March 2012 with the Ministry of Urban Development laying down the following targets:

		(₹ in crore)
Turnover	:	3500
Order Book	:	3500
Gross Margin	:	207
Net Profit	:	134

Your Company is expected to get 'excellent' rating during the financial year 2011-12 and continuing to maintain similarly rating since the year 2003-04.

DISINVESTMENT OF GOI SHAREHOLDING

Under the disinvestment programme of Government for profitable companies, your Company's IPO for disinvestment of 10% of equity shareholding of Government of India through book building process amounting to Rs. 12 crore comprising of 1.20 crore equity share of face value of Rs. 10/- each, opened for public on 22.3.2012 and closed on 27.3.2012. Overall the issue was subscribed by 4.93 times. EGoM fixed the price of equity share at Rs. 106/-. Your company's shares were listed on the bourses of BSE and NSE w.e.f. 12.4.2012.

ORDER BOOK

Work order in hand at the close of the previous financial year was Rs. 7657.81 crore and new business of Rs. 3933.72 crore was secured during the financial year 2011-12. The company executed works of Rs. 3429.32 crore during the year under report, thus leaving a balance work load of Rs. 8162.21 crore as at 31.3.2012.

RE-DEVELOPMENT OF GOVERNMENT COLONIES

The Ministry of Urban Development has issued Letter of Intent to your company for Re-development of Kidwai Nagar (East), New Delhi for General Pool Residential Accommodation (GPRA) in various categories. Estimated cost of the project is Rs. 4264 crore (approx.) which includes maintenance of GPRA for a period of 30 years. The work involves construction of about 4747 dwelling units of Type II to Type VII. The project is to be completed in 60 months. Your company will be paid Project Management charges @ 10% of the project cost. Towards initial construction, your company will make investment of Rs. 200 crore which will carry a return of 15%. Cost of the project will be recouped from lease sale of commercial office space (10% of total FAR permissible) and 10% of built up residential area for a period of 30 years to the government departments/ministries and PSUs.

The Ministry of Urban Development has also identified six other old and inhabitable government colonies for re-development on the model of Kidwai Nagar (East), GPRA complex. Out of these, your company has already initiated action for submission of project report, for the present in relation to three GPRA colonies at Netaji Nagar, Kasturba Nagar & Thyagraj Nagar in New Delhi. This re-development of government colonies is likely to generate new business and further improve the order book position of your company.

BUSINESS STRATEGIES

The company's constant endeavor for satisfaction of clients through timely completion, quality assurance and cost reduction during execution helps in providing them value added services in terms of better specifications within the sanctioned cost. Company's initiatives through constant liaison and proactive approach have resulted in repeat orders from clients. Implementation of proper fund management at the corporate level has resulted in effective utilization of financial resources.

ISO CERTIFICATION

Your company has obtained ISO 9001:2008 Certification for its Project Management and Consultancy Divisions. As an ISO9001:2008 accredited organization, making quality an obsession with commitment to continually improve the effectiveness of quality management system is a practiced philosophy. The Consultancy Division is equipped with latest software like STAAD Pro 2005 and AUTOCAD 2009 for drafting and designing.

SAFETY MANAGEMENT

Corporate Safety Policy has been adopted in the Company. During the financial year 2011-12, activities undertaken by the Safety Management Cell includes finalisation of NBCC Policy on Disaster Management, celebration of National Safety Day/week with effect from 4.3.2012, administering safety pledge on 5.3.2012. Other associated activities involved release of safety posters, display of safety banners at Corporate and field offices. Fire Services Day was observed on 14.4.2012 in company's field offices/sites. Besides, several communications highlighting the importance of safe working conditions at project sites were forwarded from time to time throughout the financial year.

LISTING REQUIREMENT COMPLIANCES

Management Discussion and Analysis Report is at **Annexure-I** and Corporate Governance Report at **Annexure-II** which forms integral part of the Directors' report as per requirement of the listing agreement.

Supplementary Compliance Certificate to Corporate Governance Report signed by the Chairman-cum-Managing Director affirming

receipt of compliance with the code of conduct from all board executives and key personnel for the year 2011-12 is at **Annexure-III**. Also, Certificate from the Chairman-cum-Managing Director & Chief Financial Officer about due compliance of Clause 49(V) is at **Annexure IV**; and Certificate of compliance of Corporate Governance provision signed by the Statutory Auditors as per Clause 49(VII) of the listing agreement is at **Annexure V**.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has adopted a Corporate Social Responsibility Policy to undertake activities in line with the directives issued by the Department of Public Enterprises vide its O.M. No. 15(3)/2007-DPE(GM)-GL-99 dated 27.4.2010. In accordance with government guidelines, 3% of net profit after tax has been allocated for CSR activities during the year 2011-12. Any unspent amount at the close of the financial year will be carried forward for utilization in the subsequent years. In terms of the Memorandum of Understanding signed between the company and Ministry of Urban Development for the year 2011-12, an amount of Rs. 1.97 crore has been spent on various CSR projects/activities such as: setting up of technical training institute; providing entrepreneurial and skill development courses for educated unemployed youth; drinking water facility in rural school in remote areas; providing toilet blocks in girls school in J&K; distribution of scholarship amongst girls students in the States of Bihar, Mizoram, Uttarakhand and NCT of Delhi; implementation of Rashtriya Swasthya Bima Yojna and financial support to Rajiv Gandhi Foundation for distribution of motorized vehicle to disabled person.

CONSERVATION OF ENERGY

With restricted scope for energy conservation in service sector, your company has laid emphasis on techniques resulting in conservation of energy by making use of solar energy and undertaking construction of Energy Efficient & Environment Friendly Intelligent Buildings. Your company has placed an order for supply & installation of a 16KWp Grid Interactive SPV power plant on roof of Corporate Office building. At work place, installation of energy efficient lights and maximum use of natural light is being encouraged. Sewage Treatment Plants executed using UASB technology without any moving parts helps in conservation of electricity.

HUMAN RESOURCE DEVELOPMENT & TRAINING

Human Resource Development continues to be accorded high priority with emphasis on improving skill, competence and knowledge through regular training and professional development programmes. A total of 962 training man-days were achieved during the year. During the year, 69 workshops/seminars/ lectures and programmes were conducted through in-house and external agencies on different subjects in which 526 officials were trained.

MANPOWER

Regular employees strength of the Company as on 31.3.2012 was 2227 and the category-wise position is as under:

GROUP-A	GROUP-B	GROUP-C	GROUP-D	TOTAL
759	66	1281	121	2227
(55)	(5)	(43)	(8)	(111)

(The figure in brackets is in respect of female employees).

RESERVATION OF SCHEDULED CASTES AND SCHEDULED TRIBES/ OTHER BACKWARD CLASSES AND PHYSICALLY CHALLENGED PERSONS

Directives issued by the Government of India from time to time for filling up of vacancies for SC/ST/OBC/Ex-servicemen/Physically Handicapped have been followed in the Company.

Government instructions regarding reservation, relaxations, concessions & benefits as provided under Persons with Disabilities (Equal Opportunities, Protection of Rights & Full Participations) Act, 1995 have been complied with.

Statistical information for category wise details of SC/ST employees in the Company is as under:-

Grade	General	SC	%	ST	%	Total
A	569	165	21.73%	25	3.29%	759
B	53	12	18.18%	01	1.51%	66
C	1061	193	15.20%	15	1.18%	1269
D	107	13	10.74%	01	0.82%	121
Safai Karamcharis	-	12	100%	-	-	12
Total	1790	395	17.73%	42	1.88%	2227

PROGRESSIVE USE OF HINDI

The Company has been implementing the provisions of the Official Language Act. Employees are encouraged to use Hindi in their daily working. During the year 2011-2012, Official Language Implementation Committee (OLIC) quarterly meetings were also held to review the progress of official language in the Company. 1st September to 30th September, 2011 was observed as 'Hindi encouragement month' in which various activities and competitions were conducted in which employees took active part. 'Hindi Diwas' was celebrated on 14th September, 2011. During the year, several workshops were organized for promotion of the use of Hindi and to impart computer training to work in Hindi language. Inspections were conducted by the Rajbhasha Cell in RBG/Zones and various divisions at the Corporate Office to oversee the extent of use of official language in day to day working.

VIGILANCE ACTIVITIES

The Vigilance Division undertakes inquiry into transaction in which employee is suspected or alleged to have acted for an improper corrupt purpose or cause such an inquiry or investigation to be made into any complaint of corruption, gross negligence, misconduct, recklessness, lack of integrity or other kind of malpractices or misdemeanors on one's part.

With an ultimate aim of eradicating corruption, a four pronged strategy is followed, which has also been appropriately incorporated in the Annual Action Plan relating to anti-corruption measures viz. (1) Preventive Vigilance, (2) Detective Vigilance & surveillance, (3) Punitive Vigilance & (4) Use of IT innovations to curb malpractices and ensure transparency.

Vigilance Awareness Week was observed in the Company from October 31 to November 5, 2011. Vigilance Souvenir, Posters etc. were also brought out on this occasion.

CORPORATE COMMUNICATION

The company's image building exercise continued to be looked after by the Corporate Communication Division. For wide coverage of various activities and events of the company reliance was placed on appropriate usage of Print & electronic media. In-house journal, brochures, booklets, event specific folders etc. for sharing information about the organization with clients, business associates were brought out during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies (Amendment) Act, 2000, your Directors hereby report as under:-

- that in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departure;
- that the selected Accounting Policies were applied consistently and the Directors 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 31st March, 2011 and of the profit and loss accounts for the year ended on that date;
- that proper and sufficient care has been taken 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; and
- that the Annual Accounts have been prepared on a going concern basis.

AUDITORS

M/s Amit Ray & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company for the year 2011-2012.

PARTICULARS OF EMPLOYEES

Pursuant to the provision of Section 217 (2A) of the Companies Act, 1956, read with the Companies' (Particulars of Employees) Rules, 1975, as amended from time to time, none of the employees of the Company was in receipt of remuneration of more than Rs.60 lac per annum or Rs.5,00,000/- per month.

ACKNOWLEDGEMENTS

Your Directors sincerely acknowledge the support and co-operation provided by the Ministry of Urban Development, Ministry of Finance, Ministry of Home Affairs, Ministry of Defence, Ministry of Commerce, Ministry of External Affairs and various other Government agencies.

The Directors also wish to thank CAG of India, Chairman & Members of Audit Board, Statutory Auditors for their co-operation and guidance and company's bankers and esteemed clients for their continued support.

Your Directors place on records their sincere appreciation for the valuable contribution and support received from the employees of the company towards growth and progress of the company.

for and on behalf of the Board


Vishnu P Das

Chairman-cum-Managing Director

Place : New Delhi
Dated : July 17, 2012

Annexure- I

MANAGEMENT DISCUSSIONS AND ANALYSIS

An Overview

The Company is engaged in the business of (i) project management consultancy services for civil construction projects (ii) civil infrastructure for power sector, and (iii) real estate development. Projects undertaken by the company are spread in different parts of the country. In addition, the company has also executed projects overseas. Incorporated on 15th November, 1960 as a wholly owned Government of India Undertaking, the company is listed on NSE & BSE with effect from 12th April, 2012. The President of India acting through the Ministry of Urban Development holds 90% of share capital upon disinvestment of 10% of government equity in the Company to public through book building process.

The Company has obtained Project Management & Consultancy ISO 9001:2008 certification from the Bureau of Indian Standards. The Company is a Schedule 'A' public sector Undertaking.

Business Operations

The Company operates primarily in the following three business segments:

1. Project Management Consultancy for civil construction projects

PMC business segment includes providing management and consultancy services for a range of civil construction projects including residential and commercial complexes, redevelopment of buildings and colonies, hospitals, educational institutions, border fencing as well as infrastructure projects such as roads, water supply systems, storm water systems and water storage solutions.

2. Civil Infrastructure for power sector

Civil infrastructure for power sector segment includes providing engineering and construction services for power projects, including design and execution of (i) civil and structural works for power projects (ii) cooling towers (iii) chimneys.

3. Real Estate Development

Real estate development segment focuses on principally two types of projects (i) residential projects and (ii) commercial projects. Land Reserves aggregate approximately 125.245 acres which are located in Delhi, Khekra (UP), Patna, Gurgaon, Kolkata, Kochi, Alwar and Lucknow.

Outlook

The Vision, Mission of the Company as stated in the MoU executed with the Ministry of Urban Development, Government of India for 2012-13 are:

Vision

Our vision is to be a widely admired and preferred construction services company.

Mission

To supply customers with practical, secure, innovative and cost-efficient construction products and services that meets their needs as well as providing the necessary supporting infrastructure.

To act in a socially responsible way to contribute to national wealth, whilst upholding our responsibility for the environment and promoting the well being of our customers, employees, shareholders and other stakeholders.

To achieve a premier position by developing and adopting best practices and state-of-the-art technology in construction services and related activities for gaining a competitive advantage.

To deliver value to projects through cost and planning optimization and effective risk management.

Financial Performance

During the year 2011-12, the company achieved total revenue of Rs.3595.82 crore, 11% higher than the total revenue of Rs.3231.46 crore in the year 2010-11. Profit before tax in fiscal 2010-11 increased by 38% to Rs.289.83 crore from Rs.209.63 crore (previous year) and profit after tax in fiscal 2010-11 increased by 36% to Rs.190.17 crore from Rs.140.34 crore (previous year). Net worth represents an increase of 22% over the previous year. The Board of Directors has recommended a dividend @ Rs.3.50 per share (35%). The dividend of Rs.48.81 crore (inclusive of dividend tax of Rs.6.81 crore) will be payable after declaration at the Annual General Meeting.

Factors Affecting Company's Operations

The substantial portion of company's income is generated from execution of works awarded by various ministries, central/state governments departments and other autonomous bodies. New works would continue to be secured by the company as it does not foresee any material change in the government outlook in awarding works on nomination basis to the company. The overall budgetary allocations for infrastructure development by the Government could have a material effect on future earnings of the company. To complete projects within budgeted cost and within scheduled time are important factors in determining the operating results of the company. Competition among large number of construction companies in all three business segments in which the company operate in has resultant impact on the margins.

Strengths and Opportunities

The company has established client relationship with different state and central government ministries, departments & agencies and various public sector undertakings. Over five decades of experience, the company has leveraged PMC expertise in diverse segments of civil construction. Being debt free, the company's liquidity position offers significant flexibility in its operations. Qualified and experienced management having vast industry knowledge and technical expertise is aligned to successfully work in challenging environment.

Risk Management Framework

To facilitate management of risks across processes on an on-going basis, a Risk Management Policy has been formally adopted by the company. The risk management process comprises risk identification, prioritization, monitoring and mitigation.

Internal Control System

The company has adequate system of internal control which helps the management to review the effectiveness of financial and operating controls. Further check and balances are underway for improvements in the system.

Human Resources and Industrial Relations

Relations with the employees remained cordial and harmonious. Management initiatives for need based training at all levels in the organization, welfare and safety of workforce at project sites continued to receive due attention. The total manpower strength as on 31.3.2012 stood at 2227.

Annexure- II

CORPORATE GOVERNANCE REPORT

Corporate Governance Philosophy

Our company is committed to the Corporate Governance Philosophy and believes in adopting best corporate governance practices. Commitment to values, conducting business in an ethical manner, holding funds in trust on behalf of the stakeholders, is a practiced philosophy in the company.

The company has established procedures and systems for fairness, transparency, accountability and responsibility to meet the requirements of good corporate governance practices. The company follows guidelines on Corporate Governance issued by the Department of Public Enterprises, making compliances with the provisions of the listing agreement.

A certificate of Corporate Governance from the Statutory Auditors is at **Annexure –V**.

Board of Directors

Our company's Board of Directors has been constituted in compliance with provisions of the Companies Act, 1956; listing agreement and government guidelines on corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas.

(A) Composition of the Board

As on March 31, 2012 the Board comprised Nine (9) Directors, namely, Mr. Vishnu P Das, Chairman cum Managing Director, Mr. Ajay K Garg, Mr. Anoop Kumar Mittal, Ms. Sudha Krishnan, Mr. Brijeshwar Singh, Prof. Vinod Kumar Gupta, Dr. K C Iyer, Mr. S C Saraf and Mr. K L Mehrotra. Composition of the Board as on the date of this report comprises two whole time directors, two government nominee directors and five part-time non-official independent directors. Mr. Ajay K Garg, Director (Finance) on completion of his tenure on April 18, 2012 retired from the Board.

B) Tenure

The age limit of the Chairman & Managing Directors and other whole-time Directors is 60 years.

The Chairman & Managing Director and other whole-time Directors are appointed for a period of five years from the date of taking over the charge or until the date of superannuation of the incumbent, or until further orders from the Government of India, whichever event occurs earlier.

Government Nominee Directors representing Ministry of Urban Development, Government of India retire from the Board on ceasing to be officials of the Ministry of Urban Development.

Independent Directors are appointed by the Government of India for tenure of three years.

(C) Board Meetings

During the financial year 2011-12, eight meetings of the Board of Directors were held on May 24, July 19, September 26, November 23, December 27, 2011, January 30, March 10, and March 29, 2012. The company held at least one board meeting every 3 months and interval between any two consecutive board meetings did not exceed 3 months.

Attendance in the meeting of Board of Directors/previous AGM is given below:

Sr. No	Directors	Meetings held during the tenure of the respective director	No. Board Meetings attended	Attendance at the last AGM
	Functional Directors			
1	Mr. Vishnu P. Das	8	8	Yes
2	Mr. Ajay K. Garg (Ceased to be director on 18.04.2012)	8	8	Yes
3	Mr. Anoop Kumar Mittal (appointed on. 3.12.2011)	4	4	NA
	Government Nominee Directors			
4	Ms. Sudha Krishnan	8	8	Yes
5	Mr. R C. Mishra (ceased on 29.12.2011)	5	3	Yes
6.	Mr.D.Diptivilasa (from 23.1.2012)	3	2	NA
	Part-time Independent Directors			
7	Mr. Brijeshwar Singh (from 5.12.2011)	4	3	NA
8	Dr. K. C. Iyer (from 04.02.2012)	4	4	NA
9	Prof. V. K. Gupta (from 5.12.2011)	4	4	NA
10	Mr. K. L. Mehrotra (from 5.12.2011)	4	3	NA
11	Mr. S. C. Saraf (from 5.12.2011)	4	4	NA

(D) Code of Conduct

The Company's Board has laid down a code of conduct for all the Board Members and Senior Management of the Company, which has been circulated, to all concerned executives through e-mail as well as by circulated through hard copies. All Board members and designated Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chairman cum Managing Director to this effect is enclosed at the end of this report.

(E) Service Contract and Severance Fees

All the non executive independent directors are paid sitting fees for attending the meetings of Board of Directors, Audit Committee, Remuneration Committee, Shareholder's/Investor's Grievances' Committee, Project Appraisal Committee, Sustainable Development and Research & Development Committee.

The details of remuneration paid to Directors during the period April 01, 2011 to March 31, 2012 are as under:

S.No	Name	Sitting Fees	Salary & Perquisites
1.	Mr. Brijeshwar Singh	37,500	Nil
2.	Dr. K. C. Iyer	47,500	Nil
3.	Prof. V. K. Gupta	47,500	Nil
4.	Mr. K. L. Mehrotra	37,500	Nil
5.	Mr. S. C. Saraf	47,500	Nil
	Total	2,17,500	Nil

Stock Option Scheme: The Company does not have any Stock Option Scheme for any of its Directors or employees.

(F) Number of Directorship/ Chairmanship held in other Companies as on March 31, 2012:

S. No.	Director	No. of Other Directorship	
		Director	Chairman
1	Mr. Brijeshwar Singh	Nil	Nil
2	Mr. K. L. Mehrotra	4	Nil
3	Mr. S. C. Saraf	1	Nil
4	Dr. K. C. Iyer	Nil	Nil
5	Prof. V. K. Gupta	1	Nil

(G) Important Items discussed at the Board meetings

The Board of the Company is provided with detailed notes along with the agenda papers in advance in respect of various items discussed in the Board Meetings including:

1. Annual Performance Targets and Achievements
2. Quarterly/Annual financial results
3. Collaboration Agreements and Investment Proposal for JVs and Strategic Alliances
4. Quarterly/Half yearly compliances
5. Budgets for CSR/ SD and R&D
6. Reporting of Serious accidents at worksites
7. Works of Capital nature
8. Award of works beyond the powers delegated to Whole time CMD
9. Approval of Policy Matters
10. Action Taken Report on all pending matters

(H) Declaration as required under Clause 49 of the Listing Agreement and DPE Guidelines

All the members of the Board and senior management personnel have affirmed compliance to the Code of Conduct for the financial year ended on 31st March 2012.

(I) **Committees of the Board of Directors**

a) **Audit Committee**

During the financial year 2011-12, two meetings of the audit committee were held on July 19, 2011 and January 30, 2012.

First, Audit Committee meeting comprising of two government nominee directors and the Chairman-cum-Managing Director of the company was held to review the annual accounts for the financial year 2010-11 in its meeting held on July 19, 2011.

Consequent upon the appointment of non-official part-time directors by the Government, the Audit Committee consisting of three independent directors was re-constituted on December 27, 2011 by the Board of Directors. Second, audit committee meeting headed by an independent director was held on January 30, 2012 to consider the half yearly accounts of the company ending on September 30, 2011. The attendance of directors in the said committee meetings during the period from April to December, 2011 are as follows:

S. No.	Name	Designation	No. of meeting held	No. of committee meeting attended
1	Mr. R. C. Mishra	Member	1	1
2	Ms. Sudha Krishnan	Member	1	1
3	Mr. Vishnu P. Das	Member	1	1

The attendance of directors in the Audit committee meeting after its re-constitution on December 27, 2011 is as follows:

S. No.	Name	Designation	No. of meeting held	No. of committee meeting attended
1	Mr. Brijeshwar Singh	Chairman	1	1
2	Mr. S. C. Saraf	Member	1	1
3	Mr. K. L. Mehrotra	Member	1	1

Mr. A. K. Singh, Company Secretary, is the Member Secretary of the Audit Committee.

Scope of Audit Committee

The terms of reference of the Audit Committee are as per the Companies Act, 1956, the Listing Agreement, and Guidelines on Corporate Governance issued by the Department of Public Enterprises and inter-alia include the following:

- Oversight of financial process
- Recommending the appointment and fixation of fees for Auditors
- Approval of payment to Auditors for any other services rendered
- Reviewing annual and quarterly statements
- Reviewing performance of Statutory/Internal auditors and adequacy of Internal control system
- Reviewing adequacy of Internal audit function
- Discussion with Internal Auditors
- Discussion with Statutory Auditors
- To obtain outside legal or other professional advise

b) **Remuneration Committee**

In accordance with the provisions of DPE guidelines, a remuneration committee has been constituted to take decision on PRP Pool and Policy of distribution of performance related pay to the employees in IDA pay structure from 1.1.2007 in accordance with government guidelines. The attendance of directors in the said committee meetings are as follows:

S. No.	Name	Designation	No. of meeting held during the 2011-12	No. of committee meeting attended
1	Mr. K. L. Mehrotra	Chairman	1	1
2	Mr. Anoop K. Mittal	Member	1	1
3	Dr. K. C. Iyer	Member	1	1
4	Prof. V. K. Gupta	Member	1	1

Mr. A K Singh, Company Secretary, is the Member Secretary of the Remuneration Committee.

The Remuneration Committee shall meet at least once in a financial year. Quorum of the Committee is one-third of the total number of members or two members, whichever is higher.

The remuneration committee meeting was held on January 9, 2012.

c) Shareholders' / Investors Grievances Committee

The Shareholders' / Investors Grievances Committee was constituted on December 27, 2012 in accordance with the requirement of listing agreement. The committee comprises the following members:

Mr. K. L. Mehrotra, Independent Director - Chairman

Mr. S. C. Saraf, Independent Director - Member

Prof. V. K. Gupta, Independent Director - Member

Mr. A. K. Singh, Company Secretary, is the Member Secretary of the Shareholders' / Investors Grievances Committee.

Scope of the Committee

The Shareholders' Grievance Committee shall have powers to decide, inter alia, to look into investor's grievances/ complaints and redressal of them, register transfer & transmission of shares etc., non receipt of declared dividend, annual report & carrying out functions as per listing agreement

Shareholders' Grievance Committee shall meet at least once in a year. Quorum for the Committee is the presence of one-third of the total number of members or 2 members, whichever is higher.

d) Project Appraisal Committee

The Project Appraisal Committee constituted on December 27, 2012 has following members:

Mr. Anoop Kumar Mittal, Director (Projects) - Chairman

Mr. K. L. Mehrotra, Independent Director - Member

Dr. K. C. Iyer, Independent Director - Member

Mr. S. K. Kaul, Executive Director (PMG), is the Member Secretary of the Project Appraisal Committee.

Scope of the Committee

The Project Appraisal Committee shall have powers to review Projects identified for implementation of Risk Management Policy and high value/ critical projects.

The Project Appraisal Committee shall meet atleast once in a year. The quorum for the Committee is the presence of one-third of the total number of members or 2 members, whichever is higher.

In addition, sub-committee consisting of senior officers of the company under the chairmanship of Dr. K.C. Iyer, Independent Director has been constituted for formulating Sustainable Development Plan; and Research & Development Plan.

(J) Disclosures about Directors

No relationship exists inter-se among directors in terms of Disclosure required under Section 299 of the Companies Act, 1956. Two part-time official directors are related to the promoter as per provisions of clause 49(1)(A)(ii) of the listing agreement. As our company is a Government Company, the appointment of all directors including independent directors and period of their tenure is regulated by the government.

The company has issued prospectus during the financial year 2011-12 for disinvestment of 10% equity share holding held by the Government in the company.

The detailed profile of Directors is as below:

Mr. Vishnu P. Das

Mr. Vishnu P. Das, aged 59 years, joined our Company on August 30, 2006 as Director (Projects) and subsequently took over as the CMD on April 8, 2011 pursuant to MoUD letter No. O-17034/8/2010-PS dated April 8, 2011. Mr. Das holds a bachelor's degree in science from the University of Allahabad and an honours degree in Bachelor of Engineering from the University of Roorkee. Prior to joining our Company, Mr. Das served with National Thermal Power Corporation Limited from 1976 to 2006. At the National Thermal Power Corporation Limited, Mr. Das held the position of Additional General Manager (Projects) and oversaw large civil construction works for power plants, chimneys, cooling towers, coal handling plants, water treatment plants etc. As CMD, Mr. Das oversees policy and strategic decision making.

Mr. Anoop K Mittal

Mr. Anoop K. Mittal, aged 52 years was appointed on 5th December, 2011 as Director (Projects) on the Board of National Buildings Construction Corporation Limited. He holds a degree of Bachelor of Engineering (civil) from Thapar Institute of Engg. & Technology in 1982. He joined NBCC on March 1, 1985 and has worked in various important positions in the Corporation. He became Dy. General Manager (Engg.) in NBCC in the year 1999 and rose to the level of Executive Director on April 1, 2010. He handled various types of projects from institutional buildings to Metro stations, Mass Housing, Hospitals/Medical colleges, environmental projects like sewerage treatment plant, solid waste management projects, Para military complexes to name a few. He also introduced UASB Technology in construction of Sewage Treatment Plants. He has got extensive experience in Project Planning, execution and monitoring of large projects. He is also well conversant with Administration, HRD, IR, Material & financial management.

Ms. Sudha Krishnan

Ms. Sudha Krishnan aged 51 years, is a Director on our Board and was appointed by the MoUD letter No. O-17031/20/2009-PS dated November 30, 2009. Ms. Krishnan holds a B.A and M.A in English Literature from Delhi University and Masters in Public Administration from George Mason University, USA. Ms. Krishnan joined the Indian Audit and Accounts Services in the year 1983. Ms. Krishnan is currently the Joint Secretary and Financial Advisor at the MoUD, Housing & Urban Poverty Alleviation & Development of North-Eastern Region, Government of India.

Mr. Brijeshwar Singh

Mr. Brijeshwar Singh, aged 61 years, joined our Company as an independent Director. He holds an honors degree in Bachelor of Arts in Economics and Master's degree in Arts (Economics) both from Delhi University and Master's Degree from Oxford University (UK). He has approximately 36 years of experience in public administration, finance & management, law, highway engineering and has worked at various important positions in Central and State Governments. As Special Secretary (Finance), Government of Tamil Nadu in 1993 and Member (Accounts) Tamil Nadu Electricity Board from 1993 to 1996, he participated in state budgeting and financing function of PSUs and dealt with the issues of national economic security and international economic issues. He also worked as Managing Director, Tamil Nadu Agro Industries Corporation in 1986, and Arasu Cable TV Corporation in 2007-2008 which gave him extensive exposure to capital markets, banking and corporate governance issues. He also served the United Nations as National Officer FAO where he was associated in bilateral donor funded projects. During the period from 2000 to 2004 he was Joint Secretary, National Security Council and was associated with the issues of national economic security and international economic issues of trade, development, smuggling, terrorist financing, narcotics and fake currency etc. He also served as Chairman of NHAI from October 2008 to December 2010 and implemented a number of highway projects in the country and have gained thorough understanding of highway engineering. He was executive committee member, Asian Institute of Broadcasting Development, Kuala Lumpur in 2005-2007 and Vice President, Commonwealth Broadcasting Association, London during 2006-2007.

Dr. K. Chandrashekhar Iyer

Dr. K. Chandrashekhar Iyer, aged 52 years, joined our Company as an independent Director. He is a B. Tech. (Civil Engineering) from Banaras Hindu University, M. Tech. (Structural Engineering) from Indian Institute of Technology, Kanpur and holds a Ph.D degree from Indian Institute of Technology, Madras. He is a Professor of Civil Engineering at IIT, Delhi. He has 14 years academic experience and also 14 years of industry experience in construction. He has so far guided nine doctoral students and over a hundred masters' projects. His area of research interest includes infrastructure project management and contract & dispute resolution. He has published a large number of papers in both national and international journals and conferences. He served the Mazagon Dock Limited from 1984 to 1986 and the Military Engineer Services from 1986 to 1988, where he was associated with a number of civil engineering projects. As a Project Manager in DRDO from 1988 to 1998, he handled a number of time bound projects of India's missile development programme where he was awarded commendation certificate by Ministry of Defence for his valuable contribution. He is a life Fellow of Institution of Engineers (India) and Institution of Surveyors and empanelled arbitrator with Construction Industry Arbitration Council. He has been conferred with Vishwakarma Award for the category Outstanding Academician from Construction Industry Development Council in 2010 and Teaching Excellence Award from Indian Institute of Technology Delhi in 2012 among others.

Mr. Kishan Lal Mehrotra

Mr. K. L. Mehrotra, aged 63 years, joined our Company as an independent Director. He holds a degree of Bachelor of Science from the Institute of Technology, Banaras Hindu University. He has approximately 39 years of experience in various positions in private, state and central sector organizations in power & co-generation projects, chemical & fertilizer industry, project Construction and turn key projects, mineral exploration & development & mining, sugar industry /

bio-gas projects, export marketing, general administration & senior management. He served as Chairman cum Managing Director of Manganese Ore (India) Limited, Bird Group of Companies under the Ministry of Steel, Government of India and Managing Director, Praga Tools Limited. He also served Engineering Projects (India) Limited in various capacities for about 14 years. He has got expertise in project management- power, mineral exploration, mining both underground and opencast, Machine Tools, Sugar & Chemicals. He is a member of Trading & Marketing Task Force of PSUs appointed by DPE. He is Director on the Board of MSTC and BDL. Widely traveled across the globe for business development and technology tie-up, he is also a recipient of Indira Gandhi and Rajiv Gandhi Best CEO Award in 2007 & 2008. He presented a number of papers in national and international conferences and also author of a number of books.

Prof. Vinod Kumar Gupta

Prof. Vinod Kumar Gupta, aged 65 years, joined our Company as an independent Director. He holds degree of Bachelor of Science Engg.(Aero) from Punjab University, Master in Engg.(Aero) from Indian Institute of Science, Bangalore and Master of Personnel Management & Industrial Relation from Punjab University. He has approximately 43 years of experience of working in various important positions in Government of India. As Scientist in DRDO, Ministry of Defence, Government of India from February, 1968 to September, 1991, he was associated on design and development of systems & sub-systems for aircraft, project planning & implementation, project appraisal & monitoring, design a management control system for large projects such as MBT (Arjun Tank) and performance evaluation of the project during execution, imparting management training to Armed forces officers and senior officers from Ministry of Defense and involved on recruitment, training & promotion of personnel at the laboratory level. He also worked as technical staff officer and as a faculty member, Defense institute of work study, Mussouri & rose to the position of chief instructor & chief consultant. He joined as Associate Professor at MDI, Gurgaon in October, 1991. He was also Director of the MDI, Gurgaon from October, 2010 to November 30, 2011. Presently he is Professor at MDI, Gurgaon.

Mr. Subhash Chandra Saraf

Mr. Subhash Chandra Saraf, aged 49 years, was appointed as an independent Director on the Board of National Buildings Construction Corporation Limited. He is a Chartered Accountant and holds a degree of Masters in Commerce and Bachelors in Law from Calcutta University. He is a Practicing Chartered Accountant since July 1984 and is presently a partner with the firm M/s Saraf and Chandra, Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI). He has been appointed Arbitrator by Bombay Stock Exchange & Central Depository Services Ltd and also served as a committee member on GST Committee of the Central council of the ICAI. Presently, he is also the elected Council Member of Eastern India Regional Council (EIRC) of the ICAI for the term 2010-13 and is serving as Treasurer for the year 2011-12. He is also Chairman of the committee on Corporate Law & Corporate Governance, committee on GMCS coordination and Professional Development committee of the EIRC of ICAI. He is also associated as Director of M/s Resurgent India Ltd.

Mr. Deverakonda Diptivilasa

Mr. Deverakonda Diptivilasa, aged 58 years, a Government nominee Director on the Board of National Buildings Construction Corporation Limited, was appointed by the Ministry of Urban Development, Government of India. He is an IAS (UP Cadre- 1981) and holds degree of Bachelor of Arts and Master of Business Administration. Mr. Diptivilasa is presently Additional Secretary in the Ministry of Urban Development, Government of India. In his career of more than three decades, he has held several key positions in Central and State Governments.

(K) Remuneration to the Directors

Remuneration to the whole time directors, appointed by the President of India through Ministry of Urban Development, Government of India is paid as per terms and conditions of their appointment. DPE vide O.M.No.18(8)/2005-GM dated May 14, 2010 has issued guidelines in the matter of the Corporate Governance for CPSEs and para 3.2 provides that fees/compensation paid to part-time directors including independent directors is required to be fixed by the Board of Directors subject to the observance of the Companies Act, 1956. Board of Directors in the meeting held on May 24, 2011, approved payment of sitting fee to non-official part-time directors of Rs. 10,000/- for attending each meeting of the Board; and Rs. 7500/- for each meeting of the committee/sub-committee of the Board and Audit Committee. Travel allowance is admissible to non-official part time directors. The Administrative Ministry has appointed five independent directors on the Board of the Company from December 5, 2012 for a period of three years. In the absence of provisions in the Articles of Association of the company, for payment of sitting fee to independent directors, the consent of shareholders has been sought for in the forthcoming Annual General Meeting authorizing the Board of Directors of the Company to fix the sitting fee.

Part-time official directors nominated on the Board draw remuneration from the Government and no sitting fee is paid by the company to the government nominee directors.

(L) Code of Conduct for Board members and Key Management Personnel

Code of Conduct for board members and senior management (that one level below has been adopted with the approval of the board of directors. The Code of Conduct has been hosted on company's website. Declaration signed by the Chairman-cum-Managing Director affirming receipt of compliance with the Code of Conduct by the Directors and Key Management Personnel is at **Annexure-III**.

(M) Details of last three AGMs

Date, time and location where last three Annual General Meeting were held are, as under:

Year	Location	Date	Time	Special Resolution passed
2011	51st AGM, NBCC Bhawan, Lodhi Road, New Delhi - 110003	September 26, 2011	1300 hrs	Yes, To approve enhancement in remuneration payable to Statutory Auditors. To issue Bonus Shares To approve making of a public offer for sale of 10% equity share of the Company. To approve alteration of Articles of Association of the Corporation.
2010	50th AGM, NBCC Bhawan, Lodhi Road, New Delhi - 110003	September 27, 2010	1330 hrs	Nil
2009	49th AGM, NBCC Bhawan, Lodhi Road, New Delhi - 110003	August 07, 2009	1245 hrs	Yes, to enhance the remuneration of the statutory Auditors

(N) Disclosures

The transaction with the related parties contains (i) Payments to the companies under Joint venture agreement and on account of contracts/works for services, (ii) remuneration to the Key Managerial Personnel and (iii) equity contribution, which are not in the nature of potential conflict with the interest of the company. Details of all related parties transaction are forming parts of notes to the Profit and Loss Accounts as per the Accounting Standard- 18 in Companies (accounting standard) Rules, 2006 issued by the Government of India.

The Company has complied with all the requirements of the guidelines for Corporate Governance issued by the Department of Public Enterprises, Government of India. The Company has also complied with the Listing Agreement with the Stock Exchanges and related rules and regulations issued by SEBI for the listed companies.

(O) CEO/CFO Certification

As per Clause 49 of Listing Agreement, a certificate duly signed by the Chairman-cum-Managing Director and Chief Financial Officer, is annexed to the Corporate Governance Report.

(P) General Information for Shareholders

a) Means of communication

The Company communicates with its shareholder through its annual report, general meetings and disclosure through the website. Financial results and other information are also published in newspapers and updates on company's website.

b) 52nd Annual General Meeting

Date: September 8, 2012

Time: 10:30 a.m.

Venue: Air Force Auditorium, Subroto Park, New Delhi-110 010

c) Book Closure

The Register of Members and Register of Share transfer of the Company will remain closed from Saturday, the September 1, 2012 to Saturday, the September 8, 2012 (Both days are inclusive).

d) Payment of Dividend

Board of Directors has recommended a dividend of Rs. 3.50 on each equity share of face value of Rs. 10/-.

Record date for the purpose payment of dividend is Friday, August 31, 2012.

e) Listing on Stock Exchanges

Company shares are listed on:

National Stock Exchange of India Limited

Scrip Code NBCC –EQ

BSE Limited

Scrip Code NBCC Code No.: 534309

f) Distribution of Shareholding*

Category	No. of Shares	% of Shareholding
Promoters, Directors & Relatives	108000000	90.00
Mutual fund/UTI/FIs/Banks/ Central Govt.,./ State Govt./Insurance Companies	6001153	5.00
Bodies Corporate	1803286	1.50
NRI/ Trust	179308	0.15
Individuals	4016253	3.35
TOTAL	120000000	100.00

Shareholding	No. of Shareholders	No. of Shares	% of Shareholding
Up to 500	11228	1485166	1.2376
501-1000	2245	1411924	1.1766
1001-2000	112	163842	0.1365
2001-3000	30	74852	0.0624
3001-4000	15	52769	0.0440
4001-5000	18	85421	0.0712
5001-10000	32	244784	0.2040
10001-999999999	55	116481242	97.0677
TOTAL	13735	120000000	100.00

**The company was listed on stock exchanges with effect from April 12, 2012. Therefore, the shareholding pattern shown above is as on June 30, 2012.*

g) Outstanding ADRs/GDRs:

The Company has not issued any ADRs, GDRs, Warrants or any Convertible Instruments during the financial year 2011-12.

h) Address for correspondence

Mr. A.K.Singh
Company Secretary &
Compliance Officer
NBCC Limited
NBCC Bhawan
Lodi Road
New Delhi-110003
Email: cs.nbcc@nic.in
investors.nbcc@hotmail.com
Fax: 011-24366459

Non-Mandatory requirements

- Board: The Company is headed by an executive Chairman. Independent Directors have been appointed on a fixed tenure basis of three years. Upon completion of their tenure, none of the independent director has been re-appointed.
- Remuneration Committee:** Details furnished in para I(b).
- Training to Board Members:** To familiarize the board members with updated legal compliances, structures, best corporate practices and processes, the company has approved policy on training of board members.
- Mechanism for evaluating independent directors:** Government of India is making appointment of non-official part-time directors and their performance evaluation is to be made by the Government
- The Company has not adopted other non-mandatory requirements.**

Annexure - III

Chief Executive Officer Declaration

I, Vishnu P. Das, Chairman-cum-Managing Director of National Buildings Construction Corporation Limited, certify based on annual disclosures received, that all Board Members and senior management personnel have abided by the code of conduct laid down by the company.

Sd/-

Place : New Delhi
Date : July 17, 2012

Vishnu P. Das
Chairman-cum-Managing Director

Annexure - IV

CEO/CFO Certification

To

Board of Directors

National Buildings Construction Corporation Limited

We, Vishnu P. Das, Chairman-cum-Managing Director and D. K. Paul, Chief Financial Officer do hereby certify to the Board that:

- a. We have reviewed financial statements for the year ended March 31, 2012 and the cash flow statement for the year ended on that date and that to the best of our knowledge and belief :
 - i) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) the said 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 that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such 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 discussed with the auditors and the audit Committee significant changes in internal control over financial reporting during the year 2011-12
- e. There has not been any significant changes in accounting policies during the year 2011-12.
- f. There was no instance of significant fraud of which we are aware nor there has been involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

D. K. Paul
Chief Financial Officer

Sd/-

Vishnu P. Das
Chairman-cum- Managing Director

Place : New Delhi
Date : July 17, 2012

Annexure - V

COMPLIANCE OF AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE OF INDIA

To,

The Members National Buildings Construction Corporation Limited

We have examined the relevant records and documents as furnished to us pertaining to the compliance of Corporate Governance by National Buildings Construction Corporation Limited, a Government Company under Section 617 of the Companies Act 1956, for the year ended 31st March, 2012, as stipulated in Clause -49 of the Listing Agreement of Stock Exchanges, although the said Company is not a listed entity as on 31.03.2012.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and examination thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance. The Ministry of Urban Development has notified appointment of five part time non-official (Independent) Directors on the 'Board' of the Company w.e.f. 5.12.2011 viz., (i) Shri Brijeshwar Singh, former Chairman, NHAI (ii) Shri K.L. Mehrotra, ex-CMD, MOIL, (iii) Shri S.C. Saraf, practicing Chartered Accountant, (iv) Dr. K. Chandrashekar Iyer, Professor, Deptt. of Civil Engineering, IIT, Delhi, and (v) Prof. V.K. Gupta, Director, MDI, Gurgaon.

The Board of Directors has approved adoption of Code of Business Conduct & Ethics for all the Board of Directors and Senior Management of the Company and also approved the Risk Management Policy. Further, various Committees of Independent Directors have been constituted by the 'Board' such as (i) Audit Committee, (ii) Remuneration Committee, (iii) Shareholders/Investors Redressal Committee & (iv) Project Appraisal Committee. The Company has been regularly submitting in time quarterly Corporate Governance Report to the Administrative Ministry in the prescribed proforma of the Deptt. of Public Enterprise.

Upon Listing of the Company w.e.f. 9.4.2012, necessary compliances, as per requirement of the SEBI and Listing Agreement, are being undertaken from time to time.

**For Amit Ray & Co.,
Chartered Accountants
(ICAI Firm No. 000483C)**

Place : New Delhi
Dated : 29.05.2012

**Amitava Ray
Partner
Membership No. 6947**

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH, 2012.

The preparation of financial statements of National Buildings Construction Corporation Limited for the year ended 31 March, 2012 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body the Institute of Chartered Accounts of India. This is stated to have been done by them vide their Audit Report dated 29 May, 2012.

I, on behalf of the Controller and Auditor General of India, have conducted a supplementary audit under Section 619(3)(b) of the Companies Act, 1956 of the financial statements of National Buildings Construction Corporation Limited for the year ended 31 March 2012. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the account records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplementary to statutory Auditors' report under Section 619(4) of the Companies Act, 1956.

**For and on behalf of the
Comptroller and Auditor General of India**

Sd/
Naina A. Kumar
Principal Director of Commercial Audit
& ex-officio Member, Audit Board-I
New Delhi

Place : New Delhi
Dated : 11 July, 2012

AUDITOR'S REPORT

To,
The Members of

NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED

1. We have audited the attached Balance Sheet of National Buildings Construction Corporation Limited as at 31st March, 2012 and also the Profit & Loss Account and the Cash-Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditors' Report) (Amendment) order, 2004 (hereinafter referred to as the order), issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, and on the basis of such checks of books and records of the Company as we considered appropriate and according to the explanations given to us, we annex hereto a statement on matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph-3 above and subject to what is stated here in below vide paragraph-(vi), we report that:-
 - i) We have obtained all information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of accounts as required by law have been kept by the Company in so far as appears from our examination of the books;
 - iii) The Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - iv) In our opinion, Balance Sheet, Profit & Loss Account and Cash Flow Statement have been drawn in accordance with the Accounting Standards referred to clause 3(c) of Section 211 of the Companies Act, 1956;
 - v) Since Section 274(1)(g) of the Companies Act, 1956 is not applicable to the Government Companies, as per Notification No. GSR 829(E) dated 21/10/2003 issued by Department of Companies Affairs; we have no comments regarding disqualification for appointment of directors;
 - vi) Further to our comments above, we are unable to ascertain and report the impact on the state of affairs/profitability on account of the following:-
 - a) Offices/projects outside India have not been visited by us. As per the information given to us, some works have been performed under overseas projects during the year. Exchange fluctuation and other income/ expenditure transactions have taken place in respect of such Overseas Projects and the same has been accounted for. Investment in respect of such foreign project has been incorporated based on the records available at Head Office and as certified by the Management.
 - b) Adjustments that may arise on account of reconciliation and final settlement of accounts with various Clients, PRWs, Suppliers and others (Refer Note No. 4 of Notes on Financial Statements).
 - c) There are outstanding dues on account of book debts amounting to ₹ 5858.36 lakhs (previous year ₹ 4045.37 lakhs) in respect of closed inland projects, which are more than three years old including an amount of ₹ 1742.30 lakhs (previous year ₹ 1756.18 lakhs) under litigation/arbitration. The same have been shown as good for recovery (Refer Note No. 12 of Notes on Financial Statements).
 - d) Balances of trade receivables, trade payables and loans and advances are subject to reconciliation and confirmation (Refer Note No. 35 of Notes on Financial Statements).
 - e) Investment towards equity participation of NBCC in Joint Venture has been accounted for on payment /adjustment basis. The aggregate amount of each of the Assets, Liabilities, Income and expenses related to interest in Joint Venture has not been incorporated (Refer Note No. 9A of Notes on Financial Statements).
 - f) The Company has written-back certain old unclaimed credit balances of ₹ 1308.71 lakhs (previous year ₹ 404.03 lakhs) based on review/ assessment done by the management (Refer Note No. 21 of Notes on Financial Statements).
 - g) No provision has been made for penal levy amounting to ₹ 1654.93 lakhs (previous years ₹ 1654.93 lakhs) for guarantee given by the government for loans taken by the Corporation in view of issue being under dispute though the same has been shown as contingent liability (Refer Note No. 31 of Notes on Financial Statements).

Subject to what is stated in paragraph 4 (vi) (a) to (g), in our opinion and to the best of our information and according to the information and explanations given to us, the said accounts, read with notes to financial statements, give a true and fair view in conformity with the Accounting Principles generally accepted in India:-

 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012.
 - b) In the case of Profit & Loss Account, 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 flow for the year ended on that date.

For Amit Ray & Co.,
Chartered Accountants
(ICAI Firm No. 000483C)

Place : New Delhi
Dated : 29.05.2012

Amitava Ray
Partner
Membership No. 6947

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph '3' of the Auditors' Report of even date)

- i) (a) In terms of information and explanations given to us and the books and records examined by us in the normal course of audit, we report that, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, there is a regular programme of verification of fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- c) The Company has not disposed off any substantial part of its fixed assets during the year, which may have any impact on the going concern nature of the company.
- ii) a) According to information and explanations given to us, inventories have been physically verified during the year by management, except those lying with outside parties or under custody of clients.
- b) In our opinion and according to the explanations provided to us, the procedures adopted for physical verification of inventory are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) The company has generally maintained proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and these have been properly dealt with in the books of accounts.
- iii) a) The Company has not granted any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of sub-clauses (a), (b), (c) and (d) of clause 4(iii) of the order are not applicable to the company.
- b) The Company has not taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of sub-clauses (a), (b), (c) and (d) of clause 4(iii) of the order are not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing major weakness in such internal controls.
- v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into a register in pursuance of Section 301 of the Act. Accordingly, clause 4(v) (b) of the Order is not applicable to the Company.
- vi) The Company has not accepted any deposits from the public under the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- vii) On the basis of the internal audit reports broadly reviewed by us, we are of the opinion that, the coverage of internal audit system carried out by the firms of Chartered Accountants appointed by the management and by the Internal Audit department of the company, has further scope for improvement to commensurate with the size of the company and the nature of its business.
- viii) Cost records have been prescribed by the Central Government under clause(d) of Sub Section (I) of Section 209 of Act. However as NBCC is engaged in contracting or sub-contracting activities and is paid only the job work or conversion charges the company is not covered under Companies(Cost Accounting Records) Rules 2011.
- ix) a) According to the information and explanations given to us and the records of the Company examined by us, we are of the opinion that, statutory dues like Sales Tax/Value Added Tax, Income Tax, Provident fund, Wealth Tax, Service Tax, Custom Duty, Labour Welfare Cess and other material statutory dues applicable to the company, have been generally regularly deposited during the year with the appropriate authorities subject to an exception of undeposited amount of Labour Welfare Cess to the tune of ₹ 1996.27 lakhs disclosed in Note 6 of the Notes to financial statements under the head other Current Liabilities. According to the information and explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2012 for the period of more than six months from the date on which they became payable except in the case of undeposited amount of ₹ 1996.27 lakhs pertaining to Labour Welfare Cess as mentioned above. We have been informed that the provisions of the Employees State Insurance Act are not applicable to the Company.

- b) According to the information and explanations given to us and the records of the company examined by us, the particulars of dues of sales-tax, income-tax & service tax, as at 31st March, 2012 which have not been deposited on account of a dispute, are as follows:-

Nature of dues	Amount Due (₹ Lakhs)	(Forum where Lakhs) disputes are pending
Sales Tax	16.26	Sales Tax Board, Jaipur
Income Tax	514.93	ITAT
Service Tax	1119.73	CESTAT
Total	1650.92	

- x) The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) According to the information and explanation given to us and the records examined by us, the company has not defaulted in repayment of dues to Govt. of India, financial institutions, banks or debenture holders.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- xiii) The Company is not a chit fund or a nidhi or a mutual benefit society. Therefore, the provisions of sub para (xiii) of para-4 of the order are not applicable to the company.
- xiv) According to the information and explanations given to us, the Company has not dealt/traded in shares, securities, debentures and other investments except investments in UTI Liquid Fund Cash Plan and IDBI Liquid Fund Cash Plan. In our opinion and according to the information and explanations given to us proper records have been maintained for the said investments and the same has been held by the company, in its own name.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanations given to us there is no loan outstanding as at the end of the year. The Company has not obtained any term loan during the year.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, We report that the company has not used funds raised on short term basis for long term investments.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies' Act, 1956.
- xix) According to the information and explanations given to us, the Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
- xx) According to the information and explanations given to us, the Company during the year has not raised any fund by way of public issue.
- xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, has been noticed or reported during the year, nor we have been informed of such case by the Management.

For Amit Ray & Co.,
Chartered Accountants
(ICAI Firm No. 000483C)

Place : New Delhi
Dated : 29.05.2012

Amitava Ray
Partner
Membership No. 6947

BALANCE SHEET AS AT MARCH 31ST, 2012

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2012	As at 31 March 2011
1	2	3	4
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	12,000.00	9,000.00
(b) Reserves and surplus	2	67,549.46	56,414.15
2 Non-current liabilities			
(a) Long-term provisions	3	57.47	57.47
(b) Other Long term Liabilities	4	20,474.77	22,717.80
3 Current liabilities			
(a) Trade payables	5	117,734.42	96,703.07
(b) Other current liabilities	6	131,908.78	133,642.24
(c) Short-term provisions	7	13,998.08	8,686.92
Total		363,722.98	327,221.65
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	8	2,332.25	2,356.44
(b) Non-current investments	9	5,732.11	6,413.68
(c) Deferred tax assets (net)	10	840.60	521.85
(d) Long-term loans and advances	11	13,905.33	13,949.18
(e) Other non-current assets	12	17,193.64	30,141.13
2 Current assets			
(a) Current investments	13	16,627.26	10,844.51
(b) Inventories	14	45,006.47	40,948.39
(c) Trade receivables	15	85,224.04	56,752.73
(d) Cash and cash equivalents	16	132,519.70	116,979.76
(e) Short-term loans and advances	17	41,535.26	45,982.95
(f) Other current assets	18	2,806.32	2,331.03
Total		363,722.98	327,221.65

Significant Accounting Policies &
Notes on Financial Statements 1 to 40

(K.L.MEHROTRA)
Director

(VISHNU P. DAS)
Chairman-cum-Managing Director

(A.K.SINGH)
Company Secretary

(D.K. PAUL)
Senior General Manager (Finance)

As per our report of even date

For AMIT RAY & CO
Chartered Accountants
(ICAI Firm No: 000483C)

(Amitava Ray)
Membership No. 6947
Partner

Place : New Delhi
Date : 29th May, 2012

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2012

(₹ in lakhs)

Particulars	Refer Note No.	For the Year Ended 31st March 2012	For the Year Ended 31st March 2011
I. Revenue From Operations			
Sale of services		-	-
Value of Services	19	342,932.29	312,677.21
Other operating revenues	20	1,836.55	1,928.18
II. Other income	21	13,461.63	8,540.85
III. Total Revenue (I + II)		358,230.47	323,146.24
IV. Expenses:			
Cost of materials consumed	23	9,226.87	13,992.74
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	4,718.95	-
Expenditure in Piece rate Work/Consultancy	25	295,897.53	270,022.42
Employee benefits expense	26	15,721.04	12,897.09
Depreciation and amortization expense	27	196.22	321.04
Other expenses	28	4,124.51	3,420.92
Write Offs	29	288.05	1,118.17
Prior Period Expenses	22	(312.70)	(21.30)
Total expenses		329,860.47	301,751.08
V. Profit before exceptional and extraordinary items and tax (III-IV)		28,370.00	21,395.16
VI. Exceptional items	30	738.82	432.23
VII. Profit before extraordinary items and tax (V - VI)		27,631.18	20,962.93
VIII. Extraordinary Items (Insurance claim)		1,351.58	-
IX. Profit before tax (VII+VIII)		28,982.76	20,962.93
X. Tax expense:			
(1) Current tax		10,284.85	6,915.14
(2) Deferred tax		(318.75)	13.89
XI. Profit for the period from continuing operations (IX+X)		19,016.66	14,033.90
XII. Profit for the period		19,016.66	14,033.90
XIII. Earnings per equity share:			
(1) Basic (in Rupees)		15.85	15.59
(2) Diluted (in Rupees)		15.85	15.59

(K.L.MEHROTRA)
Director

(A.K.SINGH)
Company Secretary

(VISHNU P. DAS)
Chairman-cum-Managing Director

(D.K. PAUL)
Senior General Manager (Finance)

As per our report of even date

For AMIT RAY & CO
Chartered Accountants
(ICAI Firm No: 000483C)

(Amitava Ray)
Membership No. 6947
Partner

Place : New Delhi
Date : 29th May, 2012

NOTES

NOTE 1

Share Capital	As at 31 March 2012		As at 31 March 2011	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Authorised Capital				
Nil 7% Non Cumulative Redeemable Preference shares of ₹ 1000/- each (Previous Year 3,00,000)	-	-	300,000	3,000.00
Equity Shares of ₹ 10/- each (Previous Year ₹1000/- each)	120,000,000	12,000.00	900,000	9,000.00
Issued ,Subscribed & fully Paid up				
Equity Shares of ₹ 10/- each (Previous Year ₹ 1000/- each) Includes 30000000 Equity Shares of ₹10/- each issued as fully paid Bonus shares with rights pari passu with existing equity shares	120,000,000	12,000.00	900,000	9,000.00
Total	120,000,000	12,000.00	900,000	9,000.00

NOTE 1A

Particulars	Equity Shares			
	As at 31 March 2012		As at 31 March 2011	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Shares outstanding at the beginning of the year	90,000,000	9,000.00	900000	9,000.00
Bonus Shares Issued during the year	30,000,000	3,000.00	-	-
Shares outstanding at the end of the year	120,000,000	12,000.00	900,000	9,000.00

The Deptt. of Disinvestment through the Ministry of Urban Development decided 10% disinvestment of government equity in the company. Cabinet Committee on Economic Affairs accorded approval for disinvestment of 10% government shareholding under the book building process. The company issued fully paid bonus shares amounting to Rs. 30 crore to the existing equity shareholders in the ratio of 3:1. Out of total paid up equity capital of ₹120 crores, an IPO for disinvestment of 10% equity was held by Government of India amounting to ₹ 12 crores comprising of 1.20 crores equity shares of face value of ₹10 each. Public issue in a price band of ₹ 90/- to ₹ 106/- per equity share of ₹10 each opened for public on 22.3.2012 and the issue closed on 27.3.2012. Overall, the issue was over subscribed by 4.93 times. In the Empowered Group of Ministers' meeting (EGoM) held on 28.3.2012, the price of equity share of ₹10/- each was decided at ₹106/- for the purpose of allotment of shares in consultations with the BSE Ltd. (lead Stock Exchange). However, this IPO was for disinvestment of shares held by Government Of India so, Company's Share Capital is not affected. The Company is now listed on BSE & NSE w.e.f. 12.4.2012.

NOTE 2

Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 1956

(₹ in Lakhs)

Reserves & Surplus	As at 31 March 2012	As at 31 March 2011
a. General Reserve		
As per Last Balance sheet	23,000.00	23,000.00
(+) Current Year Transfer	3,803.33	-
(-) Amount transferred for issue of fully paid Bonus Shares to the existing shareholders in the ratio of 3:1	3,000.00	-
Closing Balance	23,803.33	23,000.00
b. Profit & Loss account		
As per Last Balance sheet	33,414.15	22,653.24
(+) Net Profit/(Net Loss) For the current year	19,016.66	14,033.90
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	4,200.00	2,806.78
(-) Dividend Distribution Tax	681.35	466.21
(-) Interim Dividends	-	-
(-) Transfer to Reserves	3,803.33	-
Closing Balance	43,746.13	33,414.15
Total	67,549.46	56,414.15

NOTE 3

(₹ in Lakhs)

Long Term Provisions	As at 31 March 2012	As at 31 March 2011
Other/Contingencies	57.47	57.47
Total	57.47	57.47

NOTE 4

(₹ in Lakhs)

Other Long Term Liabilities	As at 31 March 2012	As at 31 March 2011
Employees security deposit	2.14	2.14
Earnest Money deposit	5,024.42	5,083.49
Advance from Clients	2,564.68	4,979.21
Trade payables	12,883.53	12,652.96
Total	20,474.77	22,717.80

Adjustments on account of reconciliation and final settlement of accounts with various clients, PRW's, Suppliers & others are pending.

NOTE 5

(₹ in Lakhs)

TRADE PAYABLES	As at 31 March 2012	As at 31 March 2011
Sundry Creditors for Materiel/Supplies:	-	-
Sundry Creditors for Services:	117,734.42	96,703.07
	117,734.42	96,703.07

NOTE 6

(₹ in Lakhs)

Other Current Liabilities	As at 31 March 2012	As at 31 March 2011
a) Taxes and Labour Cess Payable	7,853.80	6,660.20
b) Earnest Money & Security Deposit	36,054.54	32,014.88
d) Advance from Clients	88,000.44	94,967.16
Total	131,908.78	133,642.24

The statutory dues are deposited regularly with the appropriate authorities as stipulated under the Statutory Act subject to an exception of :-

Undeposited amount of Labour Welfare Cess to the tune of ₹ 1996.27 lakhs disclosed in Note-6 of the Balance Sheet under the head Other Current Liabilities. This includes an amount of ₹296.22 lacs on account of the difference of the levied rate of cess @ 0.3% and 1% in the case of the respective Law of the states and the rate applicable at the Centre. The Balance undeposited amount of ₹ 1700.05 lacs pertains to labour cess collected from contractors in respect of various states. However the amount will be deposited on receipt of demand from Labour Welfare Cess Board of the concerned states.

Service tax has been deposited by respective Units/Zones on accrual system. In few units/zones, service tax has not been deposited on accrual basis. Quantification of the same could not be ascertained. Amount will be deposited after ascertaining the exact liability.

NOTE 7

(₹ in Lakhs)

Short Term Provisions	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits		
Gratuity	828.07	601.08
Leave Encashment	5,631.53	4,780.55
Superannuation	36.13	32.30
Pension	2,050.50	-
(b) Proposed Dividend on Equity Shares	4,200.00	2,806.78
(c) Dividend Distribution Tax	681.35	466.21
(d) Provision for CSR Expenditure	570.50	-
Total	13,998.08	8,686.92

Disclosure under Accounting Standard-29 on “Provisions, Contingent Liabilities and Contingent Assets”:

Movement in Provisions

For the following where the timing of expected outflows is upon settlement of the proceedings:

(₹ in lakhs)

Particulars	2011-2012				2010-11		
	Investments	CSR Expenditure	Dividend Distribution Tax	Impairment of Assets	Fringe Benefit Tax	Dividend Distribution Tax	Impairment of Assets
Opening Balance	-	-	466.21	68.72	53.22	396.09	82.15
Add: Provision made during the year	3.40	570.50	681.35	-	-	466.21	-
Less: Paid during the year	-	-	455.33	-	-	386.97	-
Less: Provision written back during the year	-	-	10.88	37.83	53.22	9.12	13.43
Closing Balance	3.40	570.50	681.35	30.89	-	466.21	68.72

The Company had adopted AS-15 (Revised 2005) Employee Benefits Scheme as under:

Gratuity

The company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity on superannuation, resignation, termination, disablement or on death. The scheme is funded by the company and is managed by a separate trust formed during the financial year 2007-08. The liability for the same is recognized on the basis of actuarial valuation and accordingly transferred to Gratuity Trust. Actuarial valuation of liability for the year 2011-12 is ₹ 828.07 lakhs.

Leave Encashment

Provision for Encashment of Earned Leave equivalent to maximum of 300 days (basic plus dearness allowance) is provided at the year end and charged to profit & loss account. Actuarial valuation of liability as on 31.03.2012 is ₹ 4372.08 lakhs.

Provision for encashment of Half Pay Leave accruing to the employee on or after 01.04.2005 subject to an overall ceiling of 240 days (equal to 120 days on full pay) on superannuation / death is provided and charged to profit & loss account. Actuarial valuation of liability as on 31.03.2012 is ₹1259.45 lakhs.

Travelling Allowance on Superannuation

The provision for Travelling Allowance to be paid to the employees on superannuation (exit) to the tune of ₹ 36.13 lakhs is provided based on actuarial valuation by taking into account the average cost of ₹ 2851.00 per employee.

Other disclosures as required under AS-15 (Revised) on “Employees Benefits”, in respect of defined benefit obligation are as under:

Principal Actuarial assumption at the Balance Sheet date (expressed as weighted averages)

(₹ in Lakhs)

	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Discounting Rate	8.50	8.50	8.50	8.50
Future salary Increase	6.00	6.00	6.00	6.00
Expected Rate of return on plan assets	8.60	-	-	-

b) Demographic Assumption

(₹ in Lakhs)

	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Retirement Age (Years)	60	60	60	60
Mortality Table		LIC (1994-96)		
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 Years	2.00	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00	1.00

Changes in the present value of obligations.

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick Leave	Travelling Allowance
Present value of obligation as at the beginning of the period	7228.52	3791.36	989.18	32.30
Acquisition adjustment	-	-	-	-
Interest Cost	614.42	322.27	84.08	2.75
Past Service Cost	-	-	-	-
Current service cost	325.10	194.39	58.69	1.45
Curtailment cost / (Credit)	-	-	-	-
Settlement cost / (Credit)	-	-	-	-
Benefits paid	(523.56)	(367.68)	-	-
Actuarial (gain) / Loss on obligation	566.27	431.74	127.50	(0.37)
Present value of obligation as at the end of period	8210.75	4372.08	1259.45	36.13

Changes in the Fair Value of Plan Assets.

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Fair Value of plan assets at the beginning of the period	6696.43	-	-	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	575.89	-	-	-
Contributions	605.82	-	-	-
Benefits paid	(523.56)	-	-	-
Actuarial gain / (Loss) on plan assets	28.10	-	-	-
Fair value of plan assets at the end of the period	7382.68	-	-	-

Fair Value of Plan Assets.

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Fair Value of plan assets at the beginning of the period	6696.43	-	-	-
Acquisition adjustment	-	-	-	-
Actual return on plan assets	603.99	-	-	-
Contributions	605.82	-	-	-
Benefits paid	(523.56)	-	-	-
Fair value of plan assets at the end of period	7382.68	-	-	-
Funded status	(828.07)	(4,372.08)	(1,259.45)	(36.13)
Excess of actual over estimated return on plan assets	28.10	-	-	-

Actuarial gain / loss recognized

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Actuarial gain /(loss) for the period obligation	(566.27)	(431.74)	(127.50)	0.37
Actuarial (gain) / loss for the period plan assets	(28.10)	-	-	-
Total (gain) / loss for the period - plan assets	538.17	431.74	127.50	(0.37)
Actuarial (gain) / loss recognized in the period	538.17	431.74	127.50	(0.37)
Unrecognized actuarial (gains) losses at the end of the period	-	-	-	-

The amounts to be recognized in balance sheet and related analysis

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Present value of obligation as at the end of the period	8210.75	4,372.08	1259.45	36.13
Fair value of plan assets as at the end of the period	7382.68	-	-	-
Funded status / Difference	(828.07)	(4,372.08)	(1,259.45)	(36.13)
Excess of actual over estimated	28.10	-	-	-
Un recognized actuarial (gains) / losses	-	-	-	-
Net asset / (liability) recognized in balance sheet	(828.07)	(4,372.08)	(1,259.45)	(36.13)

Expenses recognized in the statement of profit & loss A/c

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Current service cost	325.10	194.39	58.69	1.45
Past service cost	-	-	-	-
Interest cost	614.42	322.27	84.08	2.75
Expected return on plan assets	(575.89)	-	-	-
Curtailment cost / (Credit)	-	-	-	-
Settlement cost / (Credit)	-	-	-	-
Net actuarial (gain) / loss recognized in the period	538.17	431.74	127.50	(0.37)
Expenses recognized in the statement of profit & losses	901.80	948.40	270.27	3.83

Reconciliation statement of expense in the statement of profit and loss A/c

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Present value of obligation as at the end of period	8,210.75	4,372.08	1,259.45	36.13
Present value of obligation as at the beginning of the period	7,228.52	3,791.36	989.18	32.30
Benefits paid	523.56	367.68	-	-
Actual return on plan assets	(603.99)	-	-	-
Acquisition adjustment	-	-	-	-
Expenses recognized in the statement of profit & losses	901.80	948.40	270.27	3.83

Amount for the current period

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Present value of obligation as at the end of period	8,210.75	4,372.08	1,259.45	36.13
Fair value of plan assets at the end of the period	7,382.68	-	-	-
Surplus / (Deficit)	(828.07)	(4,372.08)	(1,259.45)	(36.13)
Experience adjustment on plan Liabilities (loss) / gain	(596.71)	(447.70)	(131.55)	0.24
Experience adjustment on plan Assets (loss) / gain	29.44	-	-	-

Movement in the liability recognized in the balance sheet

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
Opening net liability	7,228.52	3,791.36	989.18	32.30
Expenses as above	901.80	948.40	270.27	3.83
Benefits paid	(523.56)	(367.68)	-	-
Actual return on plan assets	603.99	-	-	-
Acquisition adjustment	-	-	-	-
Closing net Liability	8,210.75	4,372.08	1,259.45	36.13

Major categories of plan assets (As percentage of total plan assets on opening and closing date). Required when maintaining trust fund.

Particulars	Opening	Closing
Fund managed by insurer	-	-
Govt. of India securities	13.92%	12.11%
State Govt. securities	47.91%	49.17%
High quality corporate bonds	38.17%	38.72%
Equity share of listed company	-	-
Property	-	-
Special deposit scheme	-	-
Bank balance for PF only	-	-
Other Investment	-	-
Total	100%	100%

A) Assets / Liabilities :-

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave	Travelling Allowance
PBO(C)	8,210.75	4,372.08	1,259.45	36.13
Plan Assets	7,382.68	-	-	-
Net Assets / Liability	(828.07)	(4,372.08)	(1,259.45)	(36.13)

B) Experience on actuarial Gain / (Loss) for PBO and Plan Assets

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment	Sick leave
On Plan PBO	(596.71)	(447.70)	(131.55)
On Plan Assets	29.44	-	-

Enterprise best estimate of contribution during next year pertaining to gratuity, leave encashment, sick leave and Travelling Allowance is ₹ 224.61 lakhs, ₹ 433.43 lakhs, ₹ 150.06 lakhs and ₹ 4.35 lakhs, respectively.

Summary of membership data

	31.03.2012
Number of employees	2227
Total Monthly Salary (Lakhs)	703.38
Total Monthly Salary for leave availment (Lakhs)	1406.75
Total Monthly Salary Travelling Allowance (Lakhs)	63.49
Average Past Service (Years)	23.84
Average Age (Years)	50.14
Average remaining working life (Years)	9.86

Actuarial assumptions:-

The physical assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

NOTE 8
Fixed Assets

(₹ in Lakhs)

	Gross Block						Accumulated Depreciation					Net Block	
	As at 1 April 2011	Additions	Disposals	Acquired through business combinations	Impairments	As at 31 March 2012	As at 1 April 2011	Depreciation charge for the year	Adjustment due to Impairments	On disposals	As at 31 March 2012	Balance as at 31 March 2012	Balance as at 31 March 2011
a Tangible Assets (Not Under Lease)													
Land	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings & plots	1,144.27	-	-	-	-	1,144.27	78.18	18.65	-	-	96.83	1,047.44	1,066.09
Plant and Equipment	1,041.28	-	0.20	-	93.32	947.76	435.53	41.40	62.55	0.19	414.19	533.57	605.75
Furniture and Fixtures	144.94	-	-	-	-	144.94	66.33	9.13	-	-	75.46	69.48	78.61
Vehicles	173.57	31.33	19.55	-	2.34	183.01	112.63	13.11	2.22	16.18	107.34	75.67	60.94
Office equipment	566.09	41.29	29.40	-	-	577.98	339.23	44.46	-	22.17	361.52	216.46	226.86
Others (Office Furniture)	160.38	6.92	7.94	-	-	159.36	135.84	3.43	-	7.18	132.09	27.27	24.54
Total (i)	3,230.53	79.54	57.09	-	95.66	3,157.32	1,167.74	130.18	64.77	45.72	1,187.43	1,969.89	2,062.79
b Tangible Assets (Under Lease)													
Land	362.36	-	-	-	-	362.36	-	-	-	-	-	362.36	362.36
Total (ii)	362.36	-	-	-	-	362.36	-	-	-	-	-	362.36	362.36
Total (i+ii)	3,592.89	79.54	57.09	-	95.66	3,519.68	1,167.74	130.18	64.77	45.72	1,187.43	2,332.25	2,425.15
Previous Year	3,580.63	56.62	44.36	-	183.62	3,409.27	1,066.51	132.96	31.73	114.91	1,052.83	2,356.44	

Lease / Title Deeds for the following Land and Buildings are pending for execution in the name of Corporation:

(₹ in lakhs)

	31.03.2012	31.03.2011
(i) Land at Lodhi Road, New Delhi *	8.62	8.62
(ii) Land at MBP, Mehrauli Road, Ghitorni, New Delhi.	195.77	195.77
(iii) Office Building at Arun Chambers, Mumbai	5.49	5.49
(iv) Golf Link, New Delhi	157.97	79.14

*The main lease is in favour of M/s BHEL and a separate agreement for entitlement of ownership has been made in favour of NBCC.

The above figures represent the land cost including provision for stamp duties payable on execution of lease / title deeds have been made in respect of (i), (iii) and (iv).

NOTE 9

(₹ in Lakhs)

Non Current Investments	As at 31 March 2012	As at 31 March 2011
Trade Investments		
Investment in Association of Persons (Joint Ventures)	5,735.51	6413.6
Total	5,735.51	6,413.68
Less : Provision for dimunition in the value of Investments	3.40	-
Total	5,732.11	6,413.68

NOTE 9A

(₹ in Lakhs)

A. Details of Trade Investments

Sr. No.	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares /Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation #
			2012	2011			2012	2011	2012	2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Investment in Association of Persons										
	NBCC-R. K. Millen	Joint Venture	N.A.	N.A.	N.A.	N.A.	50%	50%	1113.36	1113.36	cost
	NBCC-AMC	Joint Venture	N.A.	N.A.	N.A.	N.A.	76.98%	80.16%	916.96	795.13	cost
	NBCC-MHG	Joint Venture	N.A.	N.A.	N.A.	N.A.	50%	50%	3091.63	3891.63	cost
	NBCC-AB	Joint Venture	N.A.	N.A.	N.A.	N.A.	50%	50%	610.16	610.16	cost
	Jamal NBCC International (PTY) Limited	Joint Venture					49%	49%	3.40	3.40	cost
	Less: Provision for Investment								-3.40	-	
	Total								5,732.11	6,413.68	

NBCC has entered into 5 Joint Ventures with other ventures for specific construction projects which are for short term in nature. The JV have been for specific projects and by the time of completion of the project, JV will automatically closed. The Company does not have any intention to operate the JV after completion of the project. Hence not consolidated.

NOTE 10

(₹ in Lakhs)

DEFERRED TAX ASSETS & LIABILITY	2011-2012			2010-2011		
	Deferred Tax Assets / (Liabilities) As at 01.04.2011	Current Deferred Tax Assets/ (Liabilities) 2011-12	Total Deferred Tax Assets / (Liabilities) As at 31.03.2012	Deferred Tax Assets / (Liabilities) As at 01.04.2010	Current Deferred Tax Assets/ (Liabilities) 2010-11	Total Deferred Tax Assets / (Liabilities) As at 31.03.2011
DEFERRED TAX ASSETS						
Provision for Retirement benefits	539.55	312.17	851.72	551.48	(11.93)	539.55
Provision for Doubtful debts & advances and others	73.59	(3.77)	69.82	79.59	(6.00)	73.59
Amount paid under Voluntary Retirement Scheme	14.20	9.92	24.12	14.75	(0.55)	14.20
Total (a)	627.34	318.32	945.66	645.82	(18.48)	627.34
DEFERRED TAX LIABILITY						
Difference between depreciation as per books and depreciation as per Income Tax Act	105.49	(0.43)	105.06	110.08	(4.59)	105.49
Total (b)	105.49	(0.43)	105.06	110.08	(4.59)	105.49
Deferred Tax Assets/ (Liabilities)(Net)			840.60			521.85

As a matter of prudence Deferred Tax Assets/(Liability) has been calculated at the rate of 30% of the actual Deferred tax Assets/ (Liability)

NOTE 11

(₹ in Lakhs)

Long Term Loans and Advances	As at 31 March 2012		As at 31 March 2011	
a. Capital Advances		-		-
b. Security Deposits		6,973.12		7,119.67
c. Loans & Advances				
Secured, considered good	5,762.97		5,794.48	
Unsecured, considered good	1,169.24		1,035.03	
Doubtful	235.57		235.57	
Less: Provision for doubtful Advances	235.57	6,932.21	235.57	6,829.51
		13,905.33		13,949.18
Total		13,905.33		13,949.18

NOTE 12

(₹ in Lakhs)

OTHER NON CURRENT ASSETS	As at 31 March 2012	As at 31 March 2011
Long term trade receivables (including trade receivables on deferred credit terms)		
Secured, considered good	-	-
Unsecured, considered good	17,212.59	30160.08
Unsecured, considered Doubtful	376.65	376.65
Less: Provision for doubtful debts	376.65	376.65
	17,212.59	30,160.08
Less: Material Account	18.95	18.95
Total	17,193.64	30,141.13

Trade Receivables includes outstanding dues from Govt. / PSUs and other departments in respect of closed projects amounting to ₹ 5858.36 lakhs (previous year ₹ 4045.37 lakhs) which are outstanding for more than three years. Out of this sum, an amount of ₹ 1742.30 lakhs (previous year ₹ 1756.18 lakhs) is pending in arbitration / court proceedings. No provision has been considered against these amounts as the same are considered good for recovery.

NOTE 13 CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at 31 March 2012	As at 31 March 2011
Investments in Liquid Fund Cash Plan	16627.26	10844.51
Less : Provision for diminution in the value of Investments	—	—
Total	16,627.26	10,844.51

NOTE 13A

Details of Current Investments

S. No.	Name of the Body Corporate	Others	Quoted	Fully paid	Extent of Holding (%)		₹ in Lakhs		Basis of Valuation
					2012	2011	2012	2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Investments in Liquid Fund Cash Plan	-	Quoted	Fully paid	N.A.	N.A.	16627.26	10844.51	Refer Note below
	Total						16,627.26	10,844.51	

Note: Above Investments are valued at lower of original cost or net realizable value.

NOTE 14

(₹ in Lakhs)

Inventories		As at 31 March 2012	As at 31 March 2011
a.	Raw Materials and components	471.41	634.38
b.	Work-in-progress	43,933.48	39,607.90
c.	Stores and spares	10.76	12.16
d.	Loose Tools	115.89	133.27
e.	Scrap	19.66	0.75
f.	Centering, Shuttering and Scaffolding valued at WDV	454.44	558.66
g.	Hostel Staff Camp Equipments	0.83	1.27
	Total	45,006.47	40,948.39

(I) Item a, c, d,e,f & g are valued at lower of cost or net realizable value.

Item b. -The expenditure charged to Profit & Loss Account in respect of Real Estate Projects has been worked out on the basis of Standard Costing Method.

(II) Lease / Title Deeds for the following Land and Buildings are pending for execution in the name of Corporation:

(₹ in lakhs)

	31.03.2012	31.03.2011
Shopping-cum-Office Complex at Pushp Vihar	2,829.66	2,829.66

NOTE 15
(₹ in Lakhs)

Trade Receivables	As at 31 March 2012	As at 31 March 2011
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	77,434.95	54,074.81
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	77,434.95	54,074.81
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	7,789.09	2,677.92
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	7,789.09	2,677.92
Total	85,224.04	56,752.73

NOTE 16
(₹ in Lakhs)

Cash and cash equivalents	As at 31 March 2012	As at 31 March 2011
a. Balances with banks	39,496.11	23,539.23
b. Cheques, drafts on hand	-	3,505.34
c. Cash on hand	1.37	2.23
d. Remittances in Transit	3,329.74	1,470.64
e. Stamps in Hand	0.16	0.09
f. Bank deposits with less than 12 months maturity	89,692.32	88,462.23
Total	132,519.70	116,979.76

Fixed Deposits with scheduled Banks amounting to ₹ 10332.70 lakhs (previous year ₹ 7302.00 lakhs) are under lien with Banks for issuing of Bank Guarantees as per stipulation of the Bank.

NOTE 17

(₹ in Lakhs)

Short-term loans and advances	As at 31 March 2012		As at 31 March 2011	
a. Advance Income Tax				
Unsecured, considered good				
F.Y. 2003-04	355.97		355.97	
F.Y. 2007-08	11.49		11.49	
F.Y. 2008-09	8,200.76		8,200.76	
F.Y. 2009-10	6,047.44		8,175.26	
F.Y. 2010-11	8,012.92		7,412.92	
F.Y. 2011-12	7,958.00	30,586.58		24,156.40
Less: Provision for Taxation				
F.Y. 2008-09	8,183.33		8,183.33	
F.Y. 2009-10	5,828.09		5,828.09	
F.Y. 2010-11	6,915.14		6,915.14	
F.Y. 2011-12	10,284.85	31,211.41 (624.83)		20,926.56 3,229.84
b. Advance Fringe Benefit Tax				
Unsecured, considered good	61.00		61.00	
		61.00		61.00
c. Advances to PRWs, Suppliers, Staff				
Secured Considered Good	30,524.26		34,126.93	
Unsecured Considered Good	11,574.83		8,565.18	
Doubtful	-		-	
Less: Provision	-		-	
		42,099.09		42,692.11
Total		41,535.26		45,982.95

NOTE 18

(₹ in Lakhs)

OTHER CURRENT ASSETS	As at 31 March 2012	As at 31 March 2011
Interest Accrued on Fixed Deposits Considered Good	2806.32	2331.03
Total	2,806.32	2,331.03

NOTE 19

(₹ in lakhs)

REVENUE FROM OPERATIONS	For the year ended 31 March 2012	For the year ended 31 March 2011
Value of Work Done	331,137.76	298,246.67
Work In Progress	11,794.53	14,430.54
Total	342,932.29	312,677.21

NOTE 20

(₹ in lakhs)

OTHER OPERATING REVENUES	For the year ended 31 March 2012	For the year ended 31 March 2011
Misc Reciepts	1,836.55	1,928.18
Total	1,836.55	1,928.18

NOTE 21

(₹ in lakhs)

OTHER INCOME	For the year ended 31 March 2012		For the year ended 31 March 2011	
Interest Income				
From Bank	8,570.63		5,555.86	
From Staff	0.12		0.55	
PRW/Suppliers	2,603.79		1,748.10	
Others	93.87	11,268.41	51.54	7,356.05
Rent		2.30		1.63
Dividend on Liquid Cash Plan		839.21		680.85
Net gain on sale of Assets		-		22.53
Net Loss on sale of assets		(5.70)		-
Unadjusted Credit Balances Written Back		1,308.71		404.03
Provisions Written Back				
Impairment of Assets	37.82		13.43	
Others	10.88	48.70	62.33	75.76
Total		13,461.63		8,540.85

Unclaimed liabilities and other credit balances outstanding since previous year amounting to ₹ 1308.71 lakhs (previous year ₹ 404.03 lakhs) have been written-back in the books under the head "Unadjusted credit balances written-back" being not payable consequent to a review of such accounts during the year.

NOTE 22

(₹ in lakhs)

Prior Period Items	For the year ended 31 March 2012	For the year ended 31 March 2011
EXPENDITURE		
Piece Rate Labour	8.53	(27.80)
Hire Charges	-	2.34
Value of Work Done	(53.28)	1.98
Unadjusted Credit Balances Written Back	-	2.18
Salary	(497.28)	-
Value Added Tax	242.78	-
Interest Received	(13.45)	-
Total	(312.70)	(21.30)

NOTE 23

(₹ in lakhs)

DETAILS OF MATERIAL CONSUMED	For the year ended 31 March 2012	For the year ended 31 March 2011
Land Cost	4,211.98	12,185.50
Inventory at the beginning of the year	635.13	529.02
Add: Purchases	5,782.53	1,944.75
Add: Transfer to internal department	-	-
	10,629.64	14,659.27
Less: Inventory at the end of the year	491.07	635.13
Less: Abnormal Losses during the year	-	-
Less: Transfers Returns & sales	943.13	58.45
Add: Carriage & Freight Inward	31.43	27.05
Cost of raw material consumed	9,226.87	13,992.74
Total	9,226.87	13,992.74

NOTE 23A

Additional information pursuant to the provisions of Part-II of Schedule-VI of the Companies Act, 1956 is given below:

PARTICULARS OF STOCK
A) Sales And Purchases

(₹ in lakhs)

Stock	31.03.2012		31.03.2011	
	Quantity	Amount	Quantity	Amount
Opening Stock	Nil	Nil	Nil	Nil
Closing Stock	Nil	Nil	Nil	Nil

B) Consumption of Raw Materials, Spare Parts & Components

(₹ in lakhs)

		2011-2012		2010-2011	
		Amount	%age	Amount	%age
i)	Indigenous				
a)	Raw Materials	5014.89		1807.24	
b)	Spare Parts & Components	—		—	
		5014.89	100.00	1807.24	100.00
ii)	Imported				
a)	Raw Materials	—		—	
b)	Spare Parts & components	—		—	
		—	—	—	—
Total		5014.89	100.00	1807.24	100.00

(₹ in lakhs)

		2011-2012	2010-2011
C)	CIF Value of imports during the year		
i)	Raw Material	—	—
ii)	Spare Parts	—	—
D)	Expenditure in Foreign currency		
i)	Consultancy	—	—
ii)	Interest	—	—
iii)	Travelling	—	—
iv)	Technical knowhow	—	—
v)	Other Matters (Construction activities)	—	—
E)	Earnings in Foreign Currency		
i)	Interest	—	—
ii)	Other Income(Construction Activities)	—	—

NOTE 24

(₹ in lakhs)

Details of changes in Inventory	For the year ended 31 March 2012	For the year ended 31 March 2011
Work in Progress	39,607.90	25,177.36
Add: Additions during the year	11,794.53	14,430.54
Less: Adjustments	2,750.00	-
Less: Closing Balance	43,933.48	39,607.90
Decrease	4,718.95	-

NOTE 25

(₹ in lakhs)

EXPENDITURE ON PIECE RATE WORK/CONSULTANCY	For the year ended 31 March 2012	For the year ended 31 March 2011
Piece Work Labour (without material)	1,598.37	1,747.61
Piece Work contract(with material)	292,516.95	266,649.89
Consultancy	1,782.21	1,624.92
Total	295,897.53	270,022.42

NOTE 26

(₹ in lakhs)

Employee Benefits Expense	For the year ended 31 March 2012	For the year ended 31 March 2011
(a) Salaries and incentives	10,403.49	10,036.43
(b) Contributions to Provident and other fund	1,018.55	1,121.05
(c) Gratuity fund contributions	828.07	601.08
(d) Staff welfare expenses	196.80	223.43
(e) Leave Encashment	1,219.80	912.70
(f) Travelling Allowance -Superannuation	3.83	2.40
(g) Pension	2,050.50	-
Total	15,721.04	12,897.09

The remuneration of Directors including Chairman-cum-Managing Director included in various schedules to the Profit & Loss Account is as under:-

Salary	48.68	62.39
Provident Fund Contribution	4.09	3.86
Rent Residence (Net of Recovery)	-	1.02
Leave Encashment (on actuarial basis)	25.00	6.09
Gratuity (on actuarial basis)	10.38	5.44
	88.15	78.80

Chairman-cum-Managing Director and full time Directors have used company's Car including for private journeys on payment of prescribed charges in accordance with the Government of India, Ministry of Finance BPE's circular No.2(28)/83-BPE(wc) dated 17.11.1983 read with the Government of India, Ministry of Finance BPE's circular No.4/(12)/82- BPE(wc) dated 01.04.1987 and DPE OM No.2(53).90-DEP (wc)-GIV dated 26.03.1999. Since recovery for personal use of car is being made, use of company's car is not considered as a perquisite.

NOTE 27

(₹ in lakhs)

DEPRECIATION & AMORTISATION	For the year ended 31 March 2012	For the year ended 31 March 2011
DEPRECIATION		
Fixed Assets	130.18	132.96
Temporary Hutments, Waterline &		
Electric Installations	5.08	10.03
Hostel / Staff Camp Equipments	0.44	0.07
	135.70	143.06
AMORTISATION		
CSS	40.40	150.20
Loose Tools	19.40	26.31
Laboratory Equipments	0.72	1.47
	60.52	177.98
Total	196.22	321.04

NOTE 28

(₹ in lakhs)

OTHER EXPENSES	For the year ended 31 March 2012	For the year ended 31 March 2011
Insurance of work	40.33	29.36
Water, Electricity & Allied charges	392.86	362.88
Rent	133.89	242.90
Travelling & Conveyance	425.26	344.96
Entertainment	34.03	28.37
Auditor's Remuneration	25.53	14.82
Internal Audit Expenses	5.33	3.79
Carriage & Freight(General)	34.64	51.37
Legal & Professional Charges	129.52	111.67
Postage, Telegram, Telephone & Telex	81.06	72.93
Printing & Stationery	89.05	59.13
Tender & Survey Expenses	65.48	86.34
Advertisement	326.75	245.27
Conference & Management Development Expenses	137.55	89.94
Wealth Tax	6.97	13.74
Value Added Tax	308.24	338.60
Bank charges & Guarantee Commission	192.30	115.54
Running Expenses of Plant & Machinery/Vehicles	62.62	53.71
Repairs & Maintenance		
- Plant & Machinery/Vehicles	52.37	76.09
- Buildings	152.59	233.32
- Others	47.75	43.78
Rates & Taxes	193.45	214.89
Insurance	10.69	10.79
Hire Charges	126.84	135.01
Misc. Expenses	196.24	266.31
Exchange Loss	47.01	3.18
CSR Expenditure	220.84	172.23
Research & Development Expenses	10.52	-
Director's Sitting Fee	0.90	-
Provision for CSR Expenditure	570.50	-
Provision for Investments	3.40	-
Total	4,124.51	3,420.92

NOTE 28A

(₹ in lakhs)

Payments to the Auditors	For the year ended 31 March 2012	For the year ended 31 March 2011
a. audit fee	13.13	7.17
b. for taxation matters	2.25	2.21
c. for company law matters	-	-
d. for management services	-	-
e. for Certification	1.69	1.65
f. for reimbursement of expenses	8.46	3.79
Total	25.53	14.82

NOTE 29

(₹ in lakhs)

Write-offs	For the year ended 31 March 2012	For the year ended 31 March 2011
Sundry Debtors	170.64	974.89
Loans and Advances	105.99	137.99
Loss on sale of Stores	11.42	5.29
Total	288.05	1,118.17

NOTE 30

(₹ in lakhs)

Exceptional Items	For the year ended 31 March 2012	For the year ended 31 March 2011
INTEREST		
Others (On Advances from clients/Arbitration / Court Awards)	738.82	432.23
Total	738.82	432.23

NOTE-31

(₹ in lakhs)

Contingent Liabilities	For the year ended 31 March 2012	For the year ended 31 March 2011
Claims against the Corporation not acknowledged as debts. Counter claims of the Corporation against these claims amounting to ₹ 52914.18 lakhs (Previous year ₹ 19986.04 lakhs) not accounted for in books.	100,554.37	39,858.38
Bank Guarantees for performance, EMD and Security Deposit	38,206.58	34,040.66
The Corporation had paid tax in earlier years in Libya on profits based on accounts audited by local auditors. Additional demand for tax amounting to LD 6716079.430 equivalent to ₹ 2696.04 lakhs (previous year LD 6,716,079.430 equivalent to ₹ 2482.43 lakhs) based on turnover etc., for the years from 1977-78 to 1989-90 raised by the tax department of the said foreign country has not been accepted by the Corporation and not provided for. The Corporation has filed appeal / objections against the above demand under the local tax laws.	2,696.04	2,482.43

(₹ in lakhs)

Contingent Liabilities	For the year ended 31 March 2012	For the year ended 31 March 2011
The Govt. guarantee charges on internal / external borrowings have not been accounted for as the matter regarding waiver of these charges has been taken up with the Govt. of India, Ministry of Urban Development (MOUD).	1,654.93	1,654.93
Recovery at penal rate on account of excess consumption of material over theoretical norms for the materials supplied by the clients at issue price and free of cost, pending final settlement with the clients.	NOT ASCERTAINABLE	NOT ASCERTAINABLE

Disclosure under Accounting Standard-29 on “Provisions, Contingent Liabilities and Contingent Assets”:

Movement in Provisions

For the following where the timing of expected outflows is upon settlement of the proceedings:

(₹ in lakhs)

Particulars	2011-2012			2010-11		
	Fringe Benefit Tax	Dividend Distribution Tax	Impairment of Assets	Sundry Debtors	Doubtful Advances	Dividend Distribution Tax
Opening Balance	53.22	396.09	82.15	391.96	252.40	541.13
Add: Provision made during the year	-	456.60	-	-	-	396.09
Less: Paid during the year	-	386.97	-	-	-	540.97
Less: Provision written back during the year	53.22	9.12	13.43	15.31	16.83	0.16
Closing Balance	-	456.60	68.72	376.65	235.57	396.09

Unclaimed liabilities and other credit balances outstanding since previous year amounting to ₹ 404.03 lakhs (previous year ₹ 490.42 lakhs) have been written-back in the books under the head “Unadjusted credit balances written-back” being not payable consequent to a review of such accounts during the year.

NOTE 32

As per Accounting Standard-18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related party as defined in the Accounting Standard are given below:-

List of related parties with whom transactions have taken place and relationship:-

Joint Ventures:-

Jamal NBCC International (PTY) Limited

NBCC - AMC

NBCC - R.K. Millen

NBCC - MHG

NBCC - AB

Key Managerial Personnel:-

Mr. Vishnu P. Das, Chairman-cum-Managing Director

Mr. Anoop K. Mittal, Director (Projects) w.e.f. 05.12.2011

Mr. Ajay K. Garg, Director (Finance) upto 18.04.2012

(₹ in lakhs)

Key Managerial Personnel	For the year ended 31 March 2012	For the year ended 31 March 2011
Salary	48.68	62.39
Provident Fund Contribution	4.09	3.86
Rent Residence (Net of Recovery)	-	1.02
Leave Encashment (on actuarial basis)	25.00	6.09
Gratuity (on actuarial basis)	10.38	5.44
Total	88.15	78.80

NOTE 33

As per Accounting Standard-27, issued by the Institute of Chartered Accountants of India, the interest and transactions in Joint Venture as defined in the Accounting Standard are given below:-

Name of the jointly Controlled entities	(1) Jamal NBCC International (PTY) Limited*	(2) NBCC - AMC**	(3) NBCC - R.K. Millen**	(4) NBCC- MHG	(5) NBCC-AB
i) Investments (₹ in lakhs)	3.40	916.97	1,113.36	3,091.63	610.16
ii) Percentage of ownership interest	49%	76.98%	50%	50%	50%
iii) Country of Incorporation	Botswana, South Africa	Agartala, India	Howrah, India	New Delhi, India	New Delhi, India
iv) Nature of work	Execution of civil and engineering projects in Botswana.	Development of hotel - cum- commercial complex at Jackson Gate, Agartala	Construction of Residential- cum- commercial- cum IT/ ITES complex at Mouza Kulai, Howrah.	Construction of Residential Apartments includes Civil, Electrical, Sanitary, Internal/ External Development etc. at Village Khekra, District Baghpat on Delhi - Saharanpur Highway	Construction of Residential Apartments includes Civil, Electrical, Sanitary, Internal/ External Development etc. at Village Masoori, District Baghpat on Delhi - Saharanpur Highway
v) Based on	-	-	-	-	-
vi) Total Assets	-	-	-	4922.16	58.37
a) Total Liabilities	-	-	-	4381.65	2.86
b) Total Income	-	-	-	194.40	4.69
c) Total Expenditure	-	-	-	-	2.71
d) Contingent Liabilities	-	-	-	-	-
e) Capital commitment	-	-	-	-	-

* Legal Notice served for termination and full provision made for investment.

** The Accounts have not yet been finalized hence not incorporated.

NOTE 34

In respect of closed units be it domestic or foreign, the reconciliation of balances of such units is in progress. The effect if any of such balances on the profit/ loss of the corporation is not ascertainable.

NOTE 35

Balances of Trade Receivables/ Trade Payables and Loans and Advances are subject to reconciliation and confirmation.

NOTE 36

Segmental results of the Corporation as required by Accounting Standard-17

PRIMARY SEGMENT DISCLOSURE:

(₹ in lakhs)

	Real Estate		Infrastructure		Civil Construction		Total	
	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011	2011-2012	2010-2011
Revenue from External Customers	18,512.96	14,422.72	9,947.67	6,331.59	314,471.66	291,922.90	342,932.29	312,677.21
Inter Segment Revenue	-	-	-	-	-	-	-	-
Total Revenue	18,512.96	14,422.72	9,947.67	6,331.59	314,471.66	291,922.90	342,932.29	312,677.21
Segment Result:	2,312.70	(74.86)	2,439.23	25.49	24,175.89	18,756.09	28,927.82	18,706.72
Unallocated Corporate Expenses							(8,829.76)	(3,664.15)
Operating Profit							20,098.06	15,042.57
Interest Expenses							(216.63)	(259.00)
Interest Income							8,262.12	5,498.51
Dividend Income							839.21	680.85
Income Taxes:-								
Provision for current year							(10,284.85)	(6,915.14)
Deferred Tax Credit							318.75	(13.89)
Net Profit							19,016.66	14,033.90
Segment Assets	58,003.83	63,991.07	10,340.73	9,338.90	176,191.72	146,620.29	244,536.28	219,950.26
Unallocated Corporate Assets							150,537.46	128,372.15
Total Assets							395,073.74	348,322.41
Segment Liabilities	10,059.09	9,858.72	5,855.25	7,444.95	247,362.44	229,171.37	263,276.78	246,475.04
Unallocated Corporate Liabilities							52,247.50	36,433.22
Total Liabilities							315,524.28	282,908.26
Capital Expenditure	-	-	3.80	3.87	75.74	52.75		
Depreciation	0.04	0.25	108.97	235.05	87.21	85.74	196.22	321.04
Non-cash expenditure other than Depreciation	-	-	12.52	6.72	282.47	1,114.57		
SECONDARY SEGMENT DISCLOSURE	INLAND		FOREIGN		TOTAL			
Revenue from External Customers	342,932.29	312,677.21	-	-	342,932.29	312,677.21		
Segment Assets	391,197.68	344,933.84	3,876.06	3,388.57	395,073.74	348,322.41		
Segment Liabilities	310,743.00	279,274.02	4,781.28	3,634.24	315,524.28	282,908.26		
Capital Expenditure	79.54	56.62	-	-	79.54	56.62		

Note: Civil construction includes the works of Project Management Consultancy.

NOTE 37

1 Earning per Share ('EPS') computed in accordance with Accounting Standard-20 "Earning Per Share" issued by ICAI.

Basic & Diluted (₹ in lakhs)

Particulars / Year	2011-2012	2010-2011
Profit after tax as per Accounts A	19,016.66	14,033.90
Number of Equity Shares issued B	120,000,000	90,000,000
BASIC & DILUTED EPS (Rupees) A/B	15.85	15.59
Face Value per Equity Share (Rupees)	10.00	10.00

2. INFORMATION PURSUANT TO PART-IV SCHEDULE-VI TO THE COMPANIES ACT, 1956.

I. Registration Details:

Registration No.	003335	State Code	—	55
Balance Sheet Date	31.03.2012			

II. Capital Raised during the year (Amount ₹ in lakhs)

Public Issue	—	Nil	Right Issue	—	Nil
Bonus Issue	—	3,000.00	Private placement	—	Nil

III. Position of Mobilisation and Deployment of funds (Amount ₹ in lakhs)

Total Liabilities	—	363,722.98	Total Assets	—	363,722.98
Paid up Capital	—	12,000.00	Reserves and Surplus	—	67,549.46
Secured Loans	—	Nil	Unsecured Loans	—	Nil

Application of Funds

Net Fixed Assets	—	2,332.25	Investments	—	22,359.37
Deferred Tax Assets (Net)	—	840.60			
Net Current Assets	—	54,017.24	Misc. Expenditure	—	Nil
Accumulated Losses	—	Nil			

IV. Performance of Company (Amount ₹ in lakhs):

Turnover	—	358,230.47	Total Expenditure	—	329,247.71
Profit Before Tax	—	28,982.76	Profit after tax	—	19,016.66
Earning per share in Rs.	—	15.85	Dividend	—	35%

V. Generic Names of three principal Products / Services of Company (as per monetary Terms):

Item Code No.	—	NOT APPLICABLE
(ITC Code)		
Product Description	—	CONSTRUCTION ACTIVITY
Item Code No.	—	NOT APPLICABLE
(ITC Code)		
Product Description	—	REAL ESTATE ACTIVITY
Item Code No.	—	NOT APPLICABLE
(ITC Code)		
Product Description	—	CONSULTANCY

NOTE 38

Minus figures have been shown in brackets

NOTE 39

Previous years figures have been regrouped / recast / rearranged wherever deemed necessary to conform to current year's classifications.

NOTE- 40

SIGNIFICANT ACCOUNTING POLICIES

1. (a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statement are prepared in accordance with Indian Generally accepted accounting principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules 2006 as amended issued by the Central Government, the provision of Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies have been consistently followed by the Company.

(b) USE OF ESTIMATES

The financial statements are prepared in accordance with generally accepted accounting principles (GAAP) in India which requires management to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statement and reported amounts of income & expenses during the periods. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2. INCOME RECOGNITION

- (a) Value of work done is being shown in the accounts based on percentage completion method. Such an evaluation of work done is based on the previous experience of the Management.
- (b) Value of work done and Sundry Debtors include:
 - i) Work done for the constituent for which only letters of intent have been received however formal contracts / agreements are in the process of execution.
 - ii) Work executed and measured by the Corporation pending certification by the constituent.
 - iii) Work executed but not measured / partly executed / accounted for at engineering estimated cost.
 - iv) Extra and substituted items to the extent considered realizable based on the previous experience of the Management.
 - v) Claims referred to arbitration or lodged against constituent to the extent considered realizable based on the previous experience of the Management.
 - vi) Amount retained by the constituent is released after the commissioning of the project.
- (c) Value of work done for Real Estate Projects (Reality Project), taking into account the total expenditure incurred in the project, is accounted for in the year of receipts of sale consideration or on the basis of execution of sale documents with the buyers, wherever significant sale consideration has been recieved, whichever is earlier. Sales documents also include unregistered agreement to sell.

3. WORK-IN-PROGRESS

Work-in-progress includes unsold portion of Real Estate pertaining to Reality Projects. The increase / decrease in Work-in-Progress is accounted for as income or expenditure of the year, as the case may be. Valuation of work-in-progress including unsold portion of reality project is being done on the basis of incurrence of expense directly attributable to the project.

4. FIXED ASSETS

Fixed Assets are stated at historical cost less accumulated depreciation. Cost directly attributable to acquisition of fixed assets are capitalized.

5. DEPRECIATION & AMORTISATION

- a) Depreciation on fixed assets is calculated on Straight Line Method in accordance with the provisions of schedule-XIV to the Companies Act, 1956.
- b) Fixed Assets costing upto ₹ 5000/- each are depreciated fully in the year of its acquisition.

- c) Temporary hutments and installation are depreciated fully in the year of its creation.
- d) Hostel / Staff Camps equipments are considered as Current Assets and the depreciation thereon is ascertained by deducting the realizable value as estimated by the Management from the book value.
- e) Amortisation amounts in respect of Centering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others is ascertained by deducting the realizable value, as estimated by the Management from the book value.

6. FOREIGN CURRENCY TRANSACTIONS

(a) Foreign Projects

The basis adopted for conversion of foreign currency:-

- i) Revenue items other than opening and closing inventories and depreciation are translated into Indian Currency at an average rate of the month of the transaction.
- ii) Assets (other than fixed assets), liabilities relating to foreign projects have been translated into Indian currency at the closing buying rates. Balance of Head Office account in the books of branch is reported at the amount of balance of branch account appearing in the books of Head Office.
- iii) The net exchange difference resulting from the translation of items in respect of foreign branches is charged or credited to Profit & Loss Account except to the extent adjusted in the carrying amount of the related fixed assets.

(b) Inland Projects

Foreign currency in respect of revenue items are translated into Indian Rupees on the date of transaction and liabilities are translated in Indian Rupees at the closing buying rates. The difference, if any, is recognized as revenue / expenditure, as the case may be during the year.

7. VALUATION OF INVENTORIES

- a) Valuation of Direct Material, Stores & spare parts, Steel Scrap, Tools & Equipments etc are done at lower of historical cost or net realizable value .
- b) Centering, shuttering & Scaffolding and Hostel / Staff Camp equipments are valued at written down value arrived at after deducting amortization / depreciation indicted in para 5(e) above.

8. INVESTMENTS

Short Term Investments are valued at Lower of Original Cost or Net Realizable Value.

9. RETIREMENT BENEFITS

a) Gratuity

The provision for gratuity is made in the accounts in accordance with the provisions of the Payment of Gratuity Act on actuarial basis.

b) Leave Encashment

The provision for leave encashment of employees is made on actuarial basis.

c) Travelling Allowance on Superannuation

The provision for travelling allowance on superannuation is made on actuarial basis.

10. DEFERRED REVENUE EXPENDITURE

Expenditure incurred for acquiring Technical know-how is treated as Deferred Revenue Expenditure and charged to Profit & Loss Account in equal yearly instalments over a period of six years or estimated life of the know-how, whichever is less.

- 11. The consumption of material at site is net of recovery / sale from / to PRW / Others and inter-unit transfers. Shortage of materials on account of theft, pilferage etc., if any, is booked separately under the appropriate discrepancy head.

12. PRIOR PERIOD EXPENDITURE / INCOME

Expenditure / Income upto ₹ 50,000/- in each case relating to prior period has been charged / accounted for to the respective head of accounts.

13. TAXES ON INCOME

Income Tax is accounted for in accordance with Accounting Standard-22 'Accounting for taxes on income' issued by ICAI, which includes Current Taxes and Deferred Taxes.

Deferred tax is recognized on timing differences, being the difference between taxable income and Accounting income that originate in one period and are capable of reversing in one or more subsequent period.

Deferred Tax Assets are recognized only to the extent there is a reasonable certainty of its realization.

14. IMPAIRMENT OF ASSETS

The company identifies impairable assets based on individual assets concept at the year-end in the terms of para 5-13 of AS-28 issued by ICAI for the purpose of arriving at impairment loss thereon, if any, being the difference between the book value and recoverable value of relevant assets. The impairment loss recognized in the prior accounting periods is reversed if there has been a change in the estimates of recoverable amount.

15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- a) A provision is made in the accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made.
- b) Contingent Liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.
- c) Contingent Assets are neither recognized nor disclosed as per Accounting Standard-29 issued by the Institute of Chartered Accountants of India.

16. PROVISION FOR DOUBTFUL DEBTS / LOANS AND ADVANCES

The amount of Sundry Debtors / Loans and Advances in closed projects, pertains to Govt. of India Departments and PSEs clients are considered Good for realisation irrespective of the age of debtors / loans and advances. These debts are under constant persuasion for realisation till final settlement made with the client or verdict is passed by the arbitration / court, in case of dispute. Necessary provision against doubtful debts / loans and advances is made based on the previous experience of the Management. Debtors / Advances are written-off when considered unrealisable.

17. JOINT VENTURE

- i) Jointly controlled operations are accounted as independent contract / entity.
- ii) In respect of contracts / Reality Projects executed by a jointly controlled entity, the profit / loss from the Joint Venture is accounted for as and when determined.

18. ARBITRATION

Arbitration / Court's awards, to the extent not taken into accounts at the time of lodge, are accounted for after it becomes Decree. Interest to / from in these cases are accounted for on actual receipt / payment.

19. LIQUIDATED DAMAGES

Liquidated Damages / Compensation for delay in respect of constituent / contractors, if any, are accounted for when the matter is considered settled by the management.

20. SEGMENT REPORTING

The company has identified three primary reporting segments based on nature of business activities viz. Real Estate, Infrastructure and Civil Construction.

21. INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims accepted by the insurers in the year of acceptance.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(₹ in lakhs)

	2011-2012	2010-2011
A. Cash flows from operating activities		
Net profit before tax	28,982.76	20,962.93
Adjustment for:		
Depreciation	130.18	132.96
(Profit) / Loss on sale of assets (net)	5.70	(22.53)
Interest received	(11,268.41)	(7,356.05)
Rent	(2.30)	(1.63)
Dividend received	(839.21)	(680.85)
Operating Profit before working capital changes	17,008.72	13,034.83
Adjustment for:		
Inventories	267.50	146.12
Work-in-Progress	(4,325.58)	(14,430.54)
Sundry Debtors	(15,523.82)	1,318.66
Loans & Advances	2,164.69	(8,319.97)
Other Current Assets	(475.29)	(1,511.03)
Current Liabilities	17,054.86	26,806.82
Provisions	2,590.41	(64.27)
Cash generated from Operations	18,761.49	16,980.62
Direct Taxes paid	(7,958.00)	(7,412.92)
Corporate Dividend Tax paid	(466.21)	(396.09)
Grautity and Leave Encashment	1,077.97	(26.64)
(Net increase)		
Net cash from operating activities (A)	11,415.25	9,144.97
B. Cash flows from investing activities:		
Purchase of Fixed Assets	(79.54)	(56.62)
Sale of Fixed Assets	5.67	35.17
Interest received	11,268.41	7,356.05
Rent	2.30	1.63
Dividend received	839.21	680.85
Investments	(5,104.58)	7,756.16
Net cash from investing activities: (B)	6,931.47	15,773.24

C. Cash flows from financing activities:

Proceeds from issue of equity shares	-	-
Redemption of preference shares	-	-
Increase/(Decrease) of National Renewal Fund	-	-
Increase/(Repayment) of loans	-	-
Dividend on Equity Shares paid	(2,806.78)	(2,329.92)
Net cash from financing activities (C)	(2,806.78)	(2,329.92)
Net increase in cash and cash equivalent (A) + (B) + (C)	15,539.94	22,588.29
Cash and cash equivalents - Opening	116,979.76	94,391.47
Cash and cash equivalents - Closing	132,519.70	116,979.76

i) Cash and Cash equivalents consist of cash in and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amount.

a) Cash / Stamps in hand	1.53
b) Remittance in transit / Cheques in hand	3,329.74
c) Balances / FDRs/Call Deposits with Banks	129,188.43
Total	132,519.70

ii) The above Cash Flow Statement has been prepared in accordance with the requirement of Accounting Standard-3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

iii) Figures in brackets indicate cash outgo.

iv) Cash & Cash Equivalent (closing) includes FDRs under Lien for ₹10332.70 lakhs for issuing of Bank Guarantees.

(K.L.MEHROTRA)
Director

(A.K.SINGH)
Company Secretary

(VISHNU P. DAS)
Chairman-cum-Managing Director

(D.K. PAUL)
Senior General Manager (Finance)

As per our report of even date

For AMIT RAY & CO
Chartered Accountants
(ICAI Firm No: 000483C)

Place : New Delhi
Date : 29th May, 2012

(Amitava Ray)
Membership No. 6947
Partner

S. NO.	Particulars	2002- 2003	2003-2004	2004- 2005	
i)	Authorised Capital	12,000	12,000	12,000	
ii)	Paid up Capital				
	A) Equity Shares	9,000	9,000	9,000	
	B) Non -cumulative Preference Shares	3,000	3,000	3,000	
iii)	Reserves & Surplus	-	-	-	
iv)	Borrowings:				
	A) Govt. of India	6,714	6,714	6,714	
	B) Banks & Others	5,810	5,820	5,803	
	Total Borrowings	12,524	12,534	12,517	
v)	Net worth	1,520	3,017	4,471	
vi)	Net Fixed Assets	885	987	1,351	
vii)	Sundry Debtors(Net)				
	A) Domestic	22,131	23,246	23,135	
	B) Overseas	15,074	14,935	14,882	
	Total Debtors	37,205	38,181	38,017	
viii)	Business Development	101,539	69,100	134,078	
ix)	No. of Regular Employees	2,841	2,700	2,591	
x)	Income per Employee	18	25	31	
xi)	Expenditure to Income (%)	95	98	95	
xii)	Debt Equity (Net worth) Ratio	8.24:1	4.15:1	2.8:1	
xiii)	Income				
	A) Turnover	49,409	66,062	77,803	
	B) Other Income	744	672	2,356	
	Total Income	50,153	66,734	80,159	
xiv)	Total Expenditure	47,645	65,194	76,311	
xv)	Operating Margin	2,508	1,540	3,848	
xvi)	Depreciation	577	412	317	
xvii)	Interest	1,188	61	1,008	
xviii)	Profit before tax	743	1,067	2,523	
xix)	Income Tax	25	154	1,001	
xx)	Fringe Benefit Tax	-	-	-	
xxi)	Deferred Tax(Assets) / Liabilities	-	(584)	(24)	
xxii)	Profit after tax - For the year	718	1,497	1,546	
xxiii)	Profit after tax - Cumulative	(10,480)	(8,983)	(7,437)	
xxiv)	Dividend on Pref. Shares (7%) incl. Distribution Tax	-	-	-	
xxv)	Dividend on Equity Shares incl. Distribution Tax	-	-	-	

AT A GLANCE

(₹ In Lakhs)

2005- 2006	2006- 2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
12,000	12,000	12,000	12,000	12,000	12,000	12,000
9,000	9,000	9,000	9,000	9,000	9,000	12,000
3,000	3,000	-	-	-	-	-
-	3,104	24,538	36,730	45,653	56,414	67,549
6,714	6,714	-	-	-	-	-
1,200	-	-	-	-	-	-
7,914	6,714	-	-	-	-	-
7,332	15,094	33,532	45,726	54,653	65,414	79,549
1,308	1,241	1,283	1,332	2,514	2,425	2,332
37,120	41,243	44,757	77,775	88,213	86,894	102,418
10,393	6,837	-	-	-	-	-
47,513	48,080	44,757	77,775	88,213	86,894	102,418
125,011	219,835	277,220	479,448	372,512	305,582	393,372
2,527	2,444	2,388	2,344	2,372	2,341	2,227
52	62	85	87	127	138	161
96	91	79	88	94	93	92
1.08:1	0.44:1	0:1	0:1	0:1	0:1	0:1
123,570	145,993	196,999	204,120	298,198	312,677	342,932
8,150	5,438	5,490	315	3,807	10,468	16,650
131,720	151,431	202,489	204,435	302,005	323,145	359,582
126,515	138,490	160,335	179,811	283,747	301,429	329,664
5,205	12,941	42,154	24,624	18,258	21,716	29,918
450	294	309	307	312	321	196
788	212	356	322	487	432	739
3,967	12,435	41,489	23,995	17,459	20,963	28,983
1,037	4,316	13,287	8,219	5,844	6,915	10,285
20	22	34	53	-	-	-
106	9	185	(192)	(35)	14	(319)
2,804	8,088	27,983	15,916	11,650	14,034	19,017
(4,633)	3,455	31,086	40,454	48,380	59,688	72,430
-	246	-	-	-	-	-
-	105	6,548	3,724	2,726	3,273	4,881

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NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED

Registered Office: NBCC Bhawan, Lodi Road, New Delhi-110003

FORM OF PROXY

I/We _____ being a Member/Members of National Buildings Construction Corporation Limited hereby appoint Mr./Mrs./Miss _____

_____ of _____

in the district _____ of _____

and falling him/her _____

Mr./Mrs Miss _____ of _____

in the district of _____ as my/our proxy to vote for me/us on my/our behalf

at the fifty Second Annual General Meeting of the Company to be held on 8th September, 2012 at Air Force Auditorium, Subroto Park, New Delhi-110010 and at any adjournment thereof.

Folio/Client ID	
DP ID Nos.	
No. of Shares held	

Please
affix ₹1/-
Revenue
Stamp

Signed this _____ day of _____ 2012

Signature of Member

Note: 1. The Proxy need not be a member

2. Proxies in order to be valid must be duly filled in, stamped, signed and deposited at the Registered office of the Company not less than 48 hours before the time of commencement of the Meeting

TEAR HERE



NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED

Registered Office: NBCC Bhawan, Lodi Road, New Delhi-110003

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the meeting hall

Member/Proxy _____

First Middle Surname

I hereby record my presence at the Fifty Second Annual General Meeting of the Company held on 8th September, 2012 at 1030 hrs at Air Force Auditorium, Subroto Park, New Delhi-110010.

Folio/Client ID	
DP ID Nos.	
No. of Shares held	

Signature of Member/Proxy

Note: ; This attendance slip is valid only in case shares are held on the date of meeting



National Buildings Construction Corporation Limited

NBCC Bhawan,
Lodhi Road
New Delhi- 110003

Dear Sir,

Re: Dividend Electronix Clearing (ECS) Mandate Form & Registration of e-mail ID

I/ We hereby give my/our mandate to credit my/our Dividend on the equity shares held by me/us under the Folio mentioned below, directly to my/our bank account through the Electronic Clearing Service (ECS). The details of the Bank Account and Email ID are given below:

ECS MANDATE FORM

1.	Name of the Shareholder (In Block Letters)	
2.	Registered Address	
3.	Folio No.	
4.	No. of Shares	
5.	Bank Name	
6.	Branch Name	
7.	Account Number (as appearing on Cheque Book)	
8.	Ledger Folio No. of the Account (If appearing on Cheque Book)	
9.	Account Type (please Tick right)	Saving Bank Current Cash Credit
10.	9-digit MICR Code of the Bank & Branch appearing on the Cheque issued by the Bank	

e-mail Registration

11.	My Email ID is	
12.	I/We agree to receive all future communication from the Company in electronic mode at the above email ID or at any other ID as I may change/ register with the company for the purpose (Please tick your choice)	Yes No

I/We enclose a blank cancelled Cheque /Xerox copy of Cheque/front page of Bank Pass Book to enable you to verify the detail.

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/We would not hold the Company/ the user institution/bank responsible. I/We understand that the above details shall be maintained by you till I/We hold shares in physical mode under the captioned Folio.

Date: _____

Encl: _____

Signature of the Sole/First Shareholder

IMPORTANT NOTES:

- 1) On registration of the email, all the communication will be sent to the e-mail ID registered in the folio/with the depository.
- 2) Shareholders are requested to keep company informed as and when there is any change in the e-mail address at investors.nbcc@hotmail.com . Unless email ID is given hereunder is changed by you by sending another communication in writing, the company will continue to send the notices/ documents to you on the above mentioned email ID.
- 3) If Shares held in electronic mode, kindly register your ECS MANDATE & e-mail ID with your DP.

NBCC