



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2004

(Rs. in thousands)

	SCHEDULE	2003-2004	2002-2003
INCOME			
VALUE OF WORK DONE		616,63,42	464,05,22
Sales		7,42,78	1,14,94
Work-in Progress		36,55,71	28,89,29
Other Receipts	11	26,96,92	16,29,17
Increase/(Decrease) in stock	12	(21,53,30)	(12,28,03)
Prior Period Adjustments(Net)	19	1,28,51	3,20,96
	TOTAL	667,34,04	501,31,55
EXPENDITURE			
Purchases		5,25,69	79,08
Materials Consumed	13	53,54,72	39,99,03
Expenditure on Piece Rate Work/Consultancy	14	509,15,73	350,64,36
Salaries, Wages & Benefits	15	47,38,87	55,52,96
Other Expenses, Provisions & Write-Offs	16	36,59,21	29,28,32
Depreciation & Amortisation	18	4,11,75	5,76,43
	TOTAL	656,05,97	482,00,18
Profit before interest and Income Tax		11,28,07	19,31,37
Carried Over			



				(Rs. in thousands)	
	SCHEDULE	2003-2004		2002-2003	
Profit before interest and Income Tax Brought Forward		11,28,07		19,31,37	
Interest	17	60,70		11,88,36	
Profit before Income Tax		10,67,37		7,43,01	
Less: Income Tax (Overseas Projects)		10,44		24,54	
Less: Provision for current Tax		1,43,55		--	
Add: Deferred tax credit:					
Current year	--	36,44			
Earlier year	--	5,47,38			

		5,83,82		--	
Net Profit carried over to Balance Sheet		14,97,20		7,18,47	
Accounting Policies	20				
Notes On Accounts	21				

Schedules 11 to 21 form integral part of the Profit & Loss Account.

Sd/-
(B.L. BAJAJ)
Director(Finance)

Sd/-
(S. SHANKAR)
Director(Projects)

Sd/-
(ARUP ROY CHOUDHURY)
Chairman-cum-Managing Director

Sd/-
(A.K. SINGH)
Company
Secretary

Sd/-
(R.K. TREHAN)
Addl. General Manager
(Finance)

Sd/-
(S.K. KHURANA)
General Manager
(Finance)

As per our report of even date.

For Jindal & Co.
Chartered Accountants.

Sd/-
(AKHIL JINDAL)
Partner

Place: New Delhi.
Date: 25th August, 2004



SCHEDULE-1

SHARE CAPITAL

(Rs. in thousands)

	AS AT 31.03.2004	AS AT 31.03.2003
AUTHORISED CAPITAL		
9,00,000 Equity shares (Previous year 9,00,000 Equity Shares) of Rs.1,000/- each	90,00,00	90,00,00
3,00,000 7% Non-cumulative Redeemable Preference Shares (Previous year 3,00,000) of Rs.1,000/- each	30,00,00	30,00,00
TOTAL	120,00,00	120,00,00
ISSUED, SUBSCRIBED & PAID UP		
9,00,000 Equity Shares (Previous year 9,00,000 Equity Shares) of Rs1,000/- each fully paid up	90,00,00	90,00,00
3,00,000 7% Non-cumulative Preference Shares Redeemable In 10 years upto 31.03.2007 (Previous year 3,00,000) of Rs.1,000/- each fully paid up	30,00,00	30,00,00
TOTAL	120,00,00	120,00,00



SCHEDULE-2

LOANS

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
SECURED LOANS			
Working Capital facilities from Banks	16,72		--
(Secured against hypothecation of inventories and current assets and further guaranteed by the President of India to the extent of Rs.8,00,00 thousands)			
TOTAL	----- 16,72 =====		----- -- =====
UNSECURED LOANS			
From Banks	35,72,24	35,72,24	
Interest accrued and due	9,71,68	9,77,56	
(Guaranteed by the President of India (Rs. 4,82,90 thousands is overdue for payment))	-----	-----	45,49,80
	45,43,92		
From Govt. of India	--	--	
Interest accrued and due	67,13,57	67,13,57	
(Rs. 53,70,84 thousands being 1 st , 2 nd , 3 rd & 4 th instalment of Rs.13,42,71 thousands each is overdue for payment)	-----	-----	67,13,57
	67,13,57		
From Govt. Bodies	--	--	
Interest accrued and due	12,60,00	12,60,00	
(Guaranteed by the President of India in shape of Indemnity Bond) (Rs. 4,60,00 thousands is overdue for payment)	-----	-----	12,60,00
	12,60,00		
TOTAL	----- 125,17,49 =====		----- 125,23,37 =====



SCHEDULE-3

FIXED ASSETS

(RS. IN THOUSANDS)

SL. NO.	DESCRIPTION	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
		AS AT 01.04.03	ADDITION / ADJUSTMENT DURING THE YEAR	SALES/ TRANSFER/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.04 (3+4-5)	AS AT 01.04.03	FOR THE YEAR	SALES/ ADJUSTMENTS DURING THE YEAR	AS AT 31.03.04 (7+8-9)	AS AT 31.03.04 (6-10)	AS AT 31.03.03 (3-7)
1	2	3	4	5	6	7	8	9	10	11	12
1.	LAND (LEASE HOLD)	##2,63,31	64	--	2,63,95	22,81	# 2,84	--	25,65	2,38,30	2,40,50
2.	OFFICE BUILDING	52,40	1,54,42	--	2,06,82	18,86	###7,50	--	26,36	1,80,46	33,54
3.	RESIDENTIAL FLATS	21,01	--	--	21,01	4,42	34	--	4,76	16,25	16,59
4.	PLANT & MACHINERY	15,37,49	3,42	1,24,49	14,16,42	11,31,14	47,71	1,11,81	10,67,04	3,49,38	4,06,35
5.	OFFICE FURNITURE & EQUIPMENTS	4,05,25	32,04	7,96	4,29,33	2,97,55	25,27	6,17	3,16,65	1,12,68	1,07,70
6.	FIXTURE & FITTINGS	12,86	--	--	12,86	12,31	4	--	12,35	51	55
7.	VEHICLES	3,33,36	28,05	39,91	3,21,50	2,53,47	16,67	37,92	2,32,22	89,28	79,89
	TOTAL:-	26,25,68	2,18,57	1,72,36	26,71,89	17,40,56	1,00,37	1,55,90	16,85,03	9,86,86	8,85,12
	PREVIOUS YEAR FIGURES	--	90,43	93,77	26,25,68	17,53,18	61,08	73,70	17,40,56	8,85,12	--

i)#	Amortisation of Land
ii)##	Lease of 99 years
iii)###	Depreciation on Office Building including Rs.3.97 thousands pertaining to prior period.



SCHEDULE 4

INVESTMENTS

(Rs. in thousands)

	AS AT 31.03.2004	AS AT 31.03.2003
--	---------------------	---------------------

CURRENT

Corporation's share in
Joint Venture (IJM – NBCC – VRM)

15,00

--

TOTAL

15,00

--

=====

=====



SCHEDULE 5

INVENTORIES

(Rs. in thousands)

	AS AT 31.03.2004	AS AT 31.03.2003
As taken, valued and certified by the management		
Stores & Spare Parts (at cost)	28,32	36,47
Tools and Equipments etc. (at estimated realisable value)	1,26,16	1,48,44
Materials		
Building Material (Lower of historical cost and net realisable value)		
Own	2,40,29	3,10,64
Clients	55,37	65,13
Steel Scrap (at estimated realisable value)	1,83	9,40
Stores, Spares and Stock in Transit (at cost)	--	62
Centering, Shuttering & Scaffolding (At written down value)	8,55,15	11,73,58
Furniture, Fixtures & Equipments in Hostel/Staff camp (At written down value)	1,34	1,74
TOTAL	<u>13,08,46</u> =====	<u>17,46,02</u> =====



SCHEDULE 6

SUNDRY DEBTORS

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
Debts Outstanding for a period exceeding six months:			
Considered Good	303,21,52		308,16,82
Considered Doubtful	24,54,59	23,23,67	
Less:- Provision	24,54,59	23,23,67	
	-----	-----	-----
	--	--	--
Other Debts:			
Considered Good	104,59,45		92,81,54
	-----		-----
	407,80,97		400,98,36
Less:Credit amount lying in Clients' General Account (including advance against value of work done)	24,82,27	28,00,45	
Material Account	1,17,36	93,16	
	-----	-----	-----
	25,99,63		28,93,61
	-----		-----
TOTAL	381,81,34		372,04,75
	=====		=====



SCHEDULE 7

CASH & BANK BALANCES:

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
Cash Balances			
Cash in Hand	5,52		7,20
Stamps in Hand	20		17
Remittances in Transit	2,35,63		25,86
Cheques in Hand	11,42,92		1,11,41
	-----	13,84,27	-----
			1,44,64
Bank Balances with Scheduled Banks			
Current Account	61,08,71		23,14,42
Current Account-NRF	--		52
Fixed Deposits	231,77,25		177,25,50
Call Deposits	21,60		40,47
	-----	293,07,56	-----
			200,80,91
Bank Balances with Non Scheduled Banks			
In Deposit Account	1,49,25		1,49,25
In Current Account	9,95,63		9,94,42
In Fixed Deposits	2,60		2,04
	-----	11,47,48	-----
			11,45,71
		-----	-----
TOTAL		318,39,31	213,71,26
		=====	=====

DETAILS OF BALANCES WITH NON-SCHEDULED BANKS

	Maximum balance during		Balance as at	
	2003-2004	2002-2003	31.03.2004	31.03.2003
<u>In Deposit Account</u>				
Rasheed Bank, Iraq	1,49,25	1,49,25	1,49,25	1,49,25
<u>In Current Account</u>				
Rasheed Bank, Iraq	9,79,35	9,79,35	9,79,35	9,79,35
ABN-AMRO Bank, New Delhi	2,45	9,16,38	1,20	2,45
EMLAK Bank, Turkey	31,96	42,09	15,08	12,62
<u>In Fixed Deposit</u>				
EMLAK Bank, Turkey	8,46	8,09	2,60	2,04



SCHEDULE 8

LOANS AND ADVANCES

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
Advances recoverable in Cash or in kind or for value to be received			
Secured - Considered Good	7,47		7,96
Unsecured - Considered Good	121,19,85		110,81,18
Unsecured - Considered Doubtful	6,87,41	5,31,63	
Less: Provisions	6,87,41	5,31,63	
	-----	-----	-----
		121,27,32	110,89,14
Security Deposits	42,84,86		44,25,09
Grant receivable from Govt. of India	13,00,00		13,00,00
Advance Turnover Tax	6,75,70		5,15,52
Advance Income Tax:			
2002-03 -	13,34	41,72	
2003-04 -	1,84,04	--	
	-----	-----	-----
		1,97,38	41,72
		-----	-----
TOTAL		185,85,26	173,71,47
		=====	=====

PARTICULARS OF LOANS & ADVANCES DUE FROM DIRECTORS INCLUDING CHAIRMAN-CUM-MANAGING DIRECTOR AND OFFICERS OF THE COMPANY

	LOANS & ADVANCES		MAXIMUM AMOUNT DUE AT ANY TIME DURING THE YEAR	
	AS AT 31.03.2004	AS AT 31.03.2003	THIS YEAR	PREVIOUS YEAR
Directors including Chairman-cum-Managing Director	--	--	2,21	3,09
Officers	11,67	21,32	17,74	23,90



SCHEDULE 9

CURRENT LIABILITIES & PROVISIONS:

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
NATIONAL RENEWAL FUND			
Received from Govt. of India	--		92
TOTAL	--		92
	===		===
CURRENT LIABILITIES			
<u>Sundry Creditors</u>			
(i) Small Scale Industries			
(a) M/s Indegenous Control and Elect.Pvt Ltd.	11	2,26	
(b) M/s Alumilite Architectural Pvt Ltd.	5,00	7,15	
	-----	-----	9,41
(ii) Others	344,59,21		300,67,03
Other Liabilities:			
Taxes Payable	5,16,36		4,40,70
Invoked Bank Guarantee	95,94		95,94
Earnest Money & Security Deposit	59,78,86		46,56,03
Employees Security Deposit	2,15		2,21
Amount Received from ECGC	17,67,03		17,67,03
Amount Received from MOUD	26,63,76		26,63,76
Advances from Clients (Include Mobilisation Advance secured by Bank Guarantees amounting to Rs. 30,66,41 thousands Previous year Rs.20,32,86 thousands)	343,27,44		274,68,46
Client's Material	55,37		65,13
TOTAL	798,71,23		672,35,70
	=====		=====



(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
PROVISIONS			
Gratuity			
Opening Balance	18,79,70		17,71,47
Less: Paid/Written back	2,73,18		2,42,55
	-----		-----
	16,06,52		15,28,92
Add: Additions	4,19,96		3,50,78
	-----	20,26,48	-----
			18,79,70
Taxation (Overseas Projects)	8,45,72		8,45,72
Less: Advance Tax	7,70,65		7,70,65
	-----	75,07	-----
			75,07
Taxation (Inland Projects)			
2002-2003	14,47		14,47
2003-2004	1,43,55		--
	-----	1,58,02	-----
			14,47
Leave Encashment			
Opening Balance	10,67,13		9,37,93
Less: Paid/Written-back	1,56,99		1,31,34
	-----		-----
	9,10,14		8,06,59
Add: Additions	26,04		2,60,54
	-----	9,36,18	-----
			10,67,13
Other/Contingencies		79,34	79,34
		-----	-----
TOTAL	32,75,09		31,15,71
	=====		=====



SCHEDULE 10

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(Rs. in thousands)

	AS AT 31.03.2004		AS AT 31.03.2003
Discrepancy in Fixed Assets	5,91		5,91
Less: Provisions	5,91	--	5,91
	-----		-----
		--	--
Discrepancy in Stores	1,08,82		1,39,59
Less: Provision	1,08,82		1,39,59
	-----		-----
		--	--
		-----	-----
TOTAL		--	--
		-----	-----



SCHEDULE 11

OTHER RECEIPTS

	(Rs. in thousands)	
	2003-2004	2002-2003
Unadjusted credit balances written-back	8,29,53	1,93,20
Profit on Sale of Assets	39,85	6
Interest (Gross, Income Tax Deducted at source Rs. Nil Previous Year Rs. Nil)		
From Bank	11,31,06	7,88,86
On advances to staff	55	53
On advances to PRW/Suppliers	41,59	22,88
Others	25,16	38,65
Misc. Receipts	4,17,78	3,19,59
Lease Rent	1,26,98	1,24,90
Profit in Joint Venture	13,31	1,14
Exchange gain	25,31	(21,70)
Provisions no longer required Written-back.		
Gratuity	1,94	85
Sundry Debtors	9,58	1,59,93
Doubtful Advances	1,10	28
Discrepancy in Stores	31,24	--
Leave Encashment	1,94	--
TOTAL	<u>26,96,92</u>	<u>16,29,17</u>



SCHEDULE 12

INCREASE/(DECREASE) IN STOCK

(Rs. in thousands)

	2003-2004		2002-2003
NET INCREASE/(DECREASE) IN STOCK			
WORK IN PROGRESS			
Opening Balance	58,17,26		41,95,12
Additions	36,55,71		28,89,29
	<u>94,72,97</u>		<u>70,84,41</u>
Less:			
i) Adjustment during the year	1,21,81		39,12
ii) Closing Balance	<u>71,97,86</u>		<u>58,17,26</u>
	21,53,30		12,28,03
TOTAL	21,53,30		12,28,03
	=====		=====

SCHEDULE 13

MATERIALS CONSUMED

(Rs. in thousands)

	2003-2004		2002-2003
Opening Stock	3,85,17		5,71,00
Add: Purchases:			
Material -	32,56,40		42,34,29
Land -	<u>25,92,74</u>		<u>7,07,41</u>
	58,49,14		49,41,70
	62,34,31		55,12,70
Less:			
Transfers, Returns & Sales	6,01,13		11,58,06
Closing Stock	<u>2,97,49</u>		<u>3,85,17</u>
	53,35,69		39,69,47
Add: Carriage & Freight Inward	19,03		29,56
TOTAL	53,54,72		39,99,03
	=====		=====



SCHEDULE 14

EXPENDITURE ON PIECE RATE WORK/CONSULTANCY

(Rs. in thousands)

	2003-2004	2002-2003
Piece Work Labour (without materials)	2,22,81	10,65,32
Piece Work contract(with materials)	502,25,50	336,40,43
Consultancy	4,67,42	3,58,61
TOTAL	509,15,73	350,64,36

SCHEDULE 15

SALARIES, WAGES & BENEFITS

(Rs. in thousands)

	2003-2004	2002-2003
Salaries, Wages & other benefits	41,07,56	49,34,44
Contribution to Provident Fund	3,94,11	4,08,87
Workmen & Staff Welfare Expenses	2,37,20	2,09,65
TOTAL	47,38,87	55,52,96



SCHEDULE 16
OTHER EXPENSES, PROVISIONS & WRITE-OFFS

	(Rs. in thousands)	
	2003-2004	2002-2003
Insurance of work	11,22	13,35
Water, Electricity & Allied charges	1,55,05	1,56,05
Rent	2,34,30	64,26
Travelling & Conveyance	2,66,61	2,27,51
Entertainment	20,39	20,39
Auditor's Remuneration	9,23	6,69
CPF Audit	4	4
Certification work	76	1,51
Carriage & Freight(General)	36,18	54,87
Legal & Professional Charges	78,41	63,08
Postage, Telegram, Telephone & Telex	69,19	81,63
Printing & Stationery	66,95	80,44
Tender & Survey Expenses	27,39	39,86
Advertisement & Publicity	55,19	38,16
Royalty	41	9,34
Conference & Management		
Development Expenses	32,11	21,38
Stamp Duty	3,14,19	5,68
Wealth Tax	59	37
Sales Tax & Works Contract Tax	1,92,23	1,06,15
Bank charges & Guarantee Commission	98,35	2,09,00
Running Expenses of Plant & Machinery/Vehicles	48,01	81,11
Repairs & Maintenance:		
- Plant & Machinery/Vehicles	29,72	70,70
- Buildings	50,02	27,50
- Others	21,77	57,79
Rates & Taxes	90,59	86,06
Insurance	10,17	24,45
Hire Charges	69,54	1,42,44
Misc. Expenses	1,20,29	1,51,83
Provisions:		
- Gratuity	4,19,96	3,50,78
- Sundry Debtors	1,40,58	92,89
- Leave Encashment	26,04	2,60,54
- Discrepancy in Stores	47	13,68
- Doubtful Advances	1,56,89	--
Write-Offs:		
- Stores	30,94	2,01
- Loss on Sale of Stores	97	2,13
- Loss on Sale of Assets	53	11,07
- Sundry Debtors	7,08,77	3,52,72
- Loans and Advances	65,16	86
	-----	-----
	36,59,21	29,28,32
	=====	=====



SCHEDULE 17

INTEREST

			(Rs. in thousands)	
		2003-2004	2002-2003	
INTEREST				
-	On Term Loans	--	9,25,85	
-	On cash credit from Bank	1,10	15,92	
-	Others	59,60	2,46,59	
		-----	-----	
	TOTAL	60,70	11,88,36	
		=====	=====	

SCHEDULE 18

DEPRECIATION & AMORTISATION

			(Rs. in thousands)	
		2003-2004	2002-2003	
<u>DEPRECIATION</u>				
	Fixed Assets	96,40	61,08	
	Temporary Hutments, Waterline & Electric Installations	9,69	63,60	
	Furniture & Equipments	72	1,16	
		-----	-----	
		1,06,81	1,25,84	
<u>AMORTISATION</u>				
	CSS	2,77,17	3,96,74	
	Loose Tools	26,95	50,28	
	Laboratory Equipments	82	3,57	
		-----	-----	
		3,04,94	4,50,59	
		-----	-----	
	TOTAL	4,11,75	5,76,43	
		=====	=====	



SCHEDULE 19

PRIOR PERIOD ADJUSTMENTS(NET)

(Rs. in thousands)

	2003-2004	2002-2003
EXPENDITURE		
Material Consumed	3,69	(1,93)
Piece Rate Labour	(1,42,05)	(1,59,69)
Interest	(3,07)	(1,31,75)
Rent Office	--	77
Hire Charges P&M	--	(1,79)
Hire Charges CSS	--	(2,95)
Consultancy Charges	1,10	(38,32)
Advertisement charges	--	1,54
Ex-Gratia Labour	--	1,50
Insurance of work	--	1,25
Repairs to P&M	--	3,77
Telephone charges	--	(10)
Bank Charges	(2,00)	--
Depreciation on fixed assets	3,97	--
TA Others	88	--
Loss in Joint Venture	(1,06)	--
	-----	-----
(a)	(1,38,54)	(3,27,70)
	-----	-----
INCOME		
Value of Work Done	(10,03)	(4,26)
Unadjusted credit balance written-back	--	(4,60)
Miscellaneous receipts	--	2,12
	-----	-----
(b)	(10,03)	(6,74)
	-----	-----
Total (a) - (b)	(1,28,51)	(3,20,96)



SCHEDULE 20

ACCOUNTING POLICIES

3. **FINANCIAL STATEMENTS**

The financial statements are prepared under the historical cost basis and are in accordance with the generally accepted accounting principles and the provision of the Companies Act, 1956. The Company maintains its accounts on accrual basis as a going concern except where otherwise stated.

3. **VALUE OF WORK DONE:**

-) Value of work done and Sundry Debtors are shown in the accounts after deductions for likely rejections identified and evaluated at best estimates by the Management.
-) Value of work done and Sundry Debtors include:
 - xiii) Work done for the clients for which letters of intent have been received but formal contracts/ agreements are yet to be executed.
 - xiii) Work done and measured by the Corporation but not certified by the clients.
 - xiii) Unmeasured/partly executed work accounted for at engineering estimates.
 - xiii) Extra and substituted items to the extent considered realisable by the Management.
 - xiii) Claims referred to arbitration or lodged against Clients to the extent considered realisable by the Management.
-) Value of work done for Real Estate Projects is accounted for in the ratio of the total estimated realisable value to the total estimated expenditure on the basis of agreement to sell or execution of sale deed or acceptance of sale by the buyer.

3. **WORK-IN-PROGRESS**

Work-in-progress includes unsold portion of Real Estate and Defence Housing Project (DHP). Valuation of unsold portion of Real Estate is done at lower of cost or net realisable value. Cost includes material consumed, overheads, depreciation/ amortisation and interest cost directly attributable to the project. The increase/decrease in Work-in-Progress is accounted for as income or expenditure for the year, as the case may be.



3. **FIXED ASSETS**

Fixed Assets are stated at cost. Costs directly attributable to acquisition of fixed assets are capitalised

5. **DEPRECIATION & AMORTISATION**

-) Leasehold land is amortised over the period of lease.
-) Depreciation on fixed assets is calculated on straight line method in accordance with the provisions of schedule XIV to the Companies Act, 1956.
-) Fixed assets costing upto Rs.5000/- each are depreciated fully in the year of capitalisation.
-) Temporary hutments and installations are depreciated fully in the year of capitalisation.
-) Furniture, Fixtures and Equipments in Hostel/Staff Camps are considered as Current Assets and the depreciation thereon is ascertained by deducting the realisable value as estimated by the Management from its book value.
-) Amortisation amounts in respect of Centering, Shuttering and Scaffolding, Loose Tools, Laboratory Equipment, empty containers & others is ascertained by deducting the realisable value, as estimated by the Management, from its book value.

6. **FOREIGN CURRENCY TRANSACTIONS**

a) **Foreign Projects**

- (v) Revenue items, other than opening and closing inventories and depreciation, are translated into Indian Currency at average of opening and closing buying rates.
- (v) 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.
- (v) Fixed Assets as on 31st March,1991 have been converted at closing buying rate prevalent on 31st March, 1991. The transactions after 31st March,1991 relating to fixed assets and depreciation thereon have been valued at the original purchase rate.



(iv) 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 in accordance with para 6(a)(iii) above.

e) Inland projects

Foreign currency liabilities are translated in Indian Rupees at the closing buying rates. The difference, if any, is transferred to fixed assets in case liabilities are related to fixed assets and in other case the difference, if any, is recognised as revenue / expenditure, as the case may be, during the year.

7. **VALUATION OF INVENTORIES**

-) Valuation of Direct Material is done at lower of historical cost and net realisable value.
-) Stores and spare parts are valued at cost.
-) Steel scrap, Tools & Equipments etc. are valued at estimated realisable value.
-) Centering, shuttering & Scaffolding and furniture, fixture & equipments in hostel/staffcamps are valued at written down value arrived at after deducting amortisation/depreciation indicated in para 5 above.

8. **INVESTMENTS**

Long Term Investments are valued at cost.

9. **RETIREMENT BENEFITS**

f) 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.



9. **TECHNICAL KNOW-HOW**

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.

9. 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 Rs.50,000/- in each case relating to prior period has been charged/accounted for to the respective head of accounts.

13. Sales Tax / Turnover Tax is adjusted in the books of accounts at the time of final assessment except where composite tax scheme is adopted.

TAXES ON INCOME

13. Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



SCHEDULE 21

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2004

(Rs. in thousands)

		2003-2004	2002-2003
1.	CONTINGENT LIABILITIES:-		
	(a) (i) Claims against the Corporation not acknowledged as debts. Counter claims of the Corporation against these claims amounting to Rs.250,73,68 thousands (Previous year Rs.247,32,39 thousands) not accounted for in books.	342,14,80	336,15,75
	(ii) Bank Guarantees for performance, EMD and Security Deposit	59,91,27	60,97,66
	(b) (i) 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 6,716,079.430 equivalent to Rs.57,37,54 thousands (previous year LD 6,716,079.430 equivalent to Rs.57,37,54 thousands) 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.	57,37,54	57,37,54
	(ii) The Govt. guarantee charges on internal/external borrowings, except omnibus Government Guarantee of Rs.50,00,00 thousands, 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).	21,23,18	17,07,27



	<p>(iii) 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.</p>	NOT	ASCERTAINABLE
	<p>(iv) Letters of credit opened but not utilised.</p>	--	--

2. Fixed Deposits / Deposits with scheduled/non-scheduled banks for Rs.92,51,95 thousands (previous year 44,89,61 thousands) including Rs.89,88,00 thousands (previous year Rs.42,00,00 thousands) for issuing of bank guarantees, are under lien with banks as per arrangements with them
2. Inventory valuing Rs.21,89 thousands (previous year Rs.22,05 thousands) and Plant & Machinery valuing Rs. 2,08 thousands (previous year Rs. 2,08 thousands) (written down value) in respect of Punjab Bridge Works, Vashi Railway Station and CCI Yerraguntala Works are impounded and under the custody of clients.
2. An amount of Rs. 11,28,60 thousands (Previous year Rs. 11,28,60 thousands) lying with Rasheed Bank, Iraq can not be repatriated to India. Balance confirmation for this amount is not available from the Bank.
2. The physical verification report of fixed assets as on 31st March,2004 is pending for reconciliation with books records. Discrepancies, if any, will be accounted for on completion of reconciliation.
2. Lease/Title Deeds for following Land and Buildings are pending for execution in the name of Corporation:

(Rs. in thousands)

		As at 31.03.2004	As at 31.03.2003
<u>FIXED ASSETS :-</u>			
(i)	Land at Lodhi Road, New Delhi	8,61	7,98
(ii)	Land at MBP, Mehrauli Road, Ghitori, New Delhi	2,55,33	2,55,33
(iii)	Office building at Arun Chambers, Mumbai	5,49	5,08



(Rs. in thousands)

		As at 31.03.2004	As at 31.03.2003
	<u>WORK-IN-PROGRESS :-</u>		
(i)	Golf Link, New Delhi	79,14	63,91
(ii)	Land at Vadodara	1,93,66	1,75,66
(iii)	Land at Pushp Vihar	28,29,66	7,07,41
(iv)	Real Estate Mangolane Kolkata	1,05,92	--
(v)	Real Estate NTC Bangalore	3,64,57	--

However provision for stamp duties payable on execution of lease/title deeds have been made in respect of (i) & (iii) under Fixed Assets and (i) & (ii) under work in progress.

7. In respect of closed projects (other than foreign projects), there are outstanding dues amounting to Rs.65,21,48 thousands (Previous year Rs.60,70,94 thousands) on account of Sundry Debtors, which are for more than three years. Provision has not been considered for these amounts as Corporation considered these as good for recovery in view of dues outstanding from Govt./PSU's and other Departments.
7. Due to pending decision regarding grant of extension of time, provision for Rs.1,89,54 thousands (previous year Rs.1,86,37 thousands) in respect of amounts withheld by clients on account of delay in completion of the Inland projects has not been made.
7. A sum of Rs. 70,01,44 thousands (Previous year Rs. 70,01,44 thousands) is outstanding in respect of Iraqi Projects. This represents:
 - k) An amount of Rs.38,03,81 thousands (previous year Rs.38,03,81 thousands) including interest of Rs. 24,86,52 thousands (Previous year of Rs.24,86,52 thousands) recoverable from Exim Bank of India, under Deferred Payment Agreement (DPA) between Government of Iraq and Government of India. The above amount includes Rs.14,44,36 thousands (Previous year Rs.14,44,36 thousands) due from Iraqi Projects for which DPA agreement is pending for renewal since January,1991.
 - ii) An amount of Rs.20,93,20 thousands (previous year Rs.20,93,20 thousands) on account of war claims pending for approval from clients in respect of projects covered under DPA.
 - iii) An amount of Rs.11,04,43 thousands (Previous year Rs.11,04,43 thousands) under cash contract is pending due to UN sanctions.



7. A sum of Rs.62,43,19 thousands (Net) (Previous year Rs.62,43,19 thousands – Net) is outstanding in respect of Libyan projects. This represents:
- i) An amount of Rs. 48,36,41 thousands (Previous year Rs.48,36,41 thousands) recoverable from Libyan Government in respect of two projects which were completed prior to 1990, for which dues are not forthcoming due to US sanctions. Efforts are being made to realise the dues through diplomatic channels.
 - ii) An amount of Rs. 14,06,78 thousands (Previous year Rs. 14,06,78 thousands) recoverable from Airport Authority of India (AAI), which was a subject matter for Arbitration. The Arbitration award in favour of NBCC has since been obtained. However, the award has not been implemented against AAI as AAI has asked for the release of Bank Guarantee which was executed by AAI to Libyan Custom Department for import of machinery by NBCC. The matter is under pursuance with Libyan authorities through diplomatic channels.
7. A sum of Rs. 19,00,56 thousands (previous year Rs. 19,00,56 thousands) is outstanding towards security deposit in respect of Libyan projects. This represents:
- i) An amount of Rs.8,75,99 thousands (Previous year Rs. 8,75,99 thousands) recoverable from Libyan Government in respect of two projects which were completed prior to 1990, for which amount is not forthcoming due to US sanctions. Efforts are being made to realise the dues through diplomatic channels.
 - ii) An amount of Rs. 10,24,57 thousands (Previous year Rs.10,24,57 thousands) recoverable from Airport Authority of India (AAI) which was a subject matter for Arbitration. The Arbitration award in favour of NBCC has since been obtained. However, the award has not been implemented against AAI as AAI has asked for the release of Bank Guarantee which was executed by AAI to Libyan Custom Department for import of machinery by NBCC. The matter is under pursuance with Libyan authorities through Diplomatic channels.
7. Ministry of Urban Development (MOUD) vide letter No.0-17031/22/80-PS dated 14.03.95 had conveyed decision that Ministry of Finance(MOF) has no objection in giving grant of Rs. 26,00,00 thousands for repayment of OIBD loan and interest amounting to Rs. 13,00,00 thousands each. Corporation had taken into account grant of Rs. 13,00,00 thousands in 1993-94 and Rs. 13,00,00 thousands in 1994-95. MOF has released Rs. 13,00,00 thousands as grant vide letter No.0-17031/22/80-PS (Vol. III) dated 10.01.1997. The matter for the release of the balance grant is under follow up with the MOUD.



7. Current liabilities include Rs. 26,63,76 thousands (previous year Rs. 26,63,76 thousands) and Rs. 17,67,03 thousands (Previous year Rs. 17,67,03 thousands) received from MOUD and ECGC during the earlier years on account of outstanding dues in respect of Iraqi Projects covered under INDO-IRAQ Government to Government Deferred Payment Arrangement (DPA) and Cash Contract are pending for reconciliation/clearance.
7. In closed units of domestic projects, foreign projects and some running units debit and credit balances of steel & cement, Suppliers, PRWs, Employees, Provident Fund, expenses payable and other parties and suppliers including large and/or old balances are outstanding and are subject to reconciliation/clearance/set-off. Review/reconciliation/clearance of these balance is under progress. In some units VWD, Sundry Debtors, Security Deposits and other balances as per unit records and accounts maintained at Zonal Offices are pending reconciliation. The effect on Balance Sheet and Profit & Loss Account of the year of such review/reconciliation & clearance can not be ascertained now.
7. Debtors, Creditors and Loans & Advances in so far as these have not been subsequently realised or discharged are subject to confirmation and reconciliation.
7. The company has duly complied with the Accounting Standards referred to in clause 3(c) of Section 211 of the Companies Act,1956 except in respect of Accounting Standard-7 (Paras 35, 12 & 13), for the reasons mentioned hereunder:
 -) Foreseeable losses not being provided, as these losses are not ascertainable till completion of projects. Financial impact of the same is not ascertainable.
 -) Claims & variations arising under construction contracts are not accounted for strictly as per Accounting Standard. Claims as considered realisable by the Management are only taken into accounts. Financial impact of the same is not ascertainable.
7. No provision for Dividend on Preference Shares has been made in view of the unabsorbed depreciation under Section 205 of the Companies Act, 1956.
7. Income Tax paid amounting to Turkish Lira 35831300000 equivalent to India Rs. 10,44 thousands (Previous year Turkish Lira 87657720000 equivalent to Indian Rs. 24,54 thousands) pertains to projects in Turkey.
7. Unclaimed liabilities and other credit balances outstanding since previous years amounting to Rs. 5,90,84 thousands (previous year Rs. 1,93,20 thousands) 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 which is a regular continuous process.



7. The accounts of Libyan and Iraqi Projects have been translated into Indian Currency at the closing buying rates prevailing as on 31.03.2001 since the rates after this date were not available, as these currencies are not frequently traded. Financial impact on the same is not ascertainable.
7. The Corporation has represented to the Ministry of Urban Development for waiver of interest on land cost at Pragati Vihar, New Delhi which could not be paid in terms of allotment letter No.J-13026/2/85-LD dated 27.03.1991 and for which provision of Rs.25,46,90 thousands was made in the accounts upto 31.03.2000. The representation has been made on the ground that out of the total space built in the Pragati Vihar Complex area measuring 3800 Sq.Mtr. has been sold to DMRC at concessional rates vide Ministry letter No.J-13026/6/97-LD dated 17.03.1997. Had the space been sold at the prevailing market rate, NBCC would have realised an additional sum of Rs. 25,64,00 thousands approximately. Keeping this in view the existing liability of Rs. 25,46,90 thousands alongwith provision of interest from 01.04.2000 to 31.03.2004 of Rs. 20,68,49 thousands (Previous year Rs.14,55,95 thousands) has been treated as Contingent Liability.
7. MOUD vide letter No.0-17031/11/94-PS(VIII) dated 28.11.1997 has allowed NBCC to encash RBI Bonds amounting to Rs. 6,00,00 thousands to enable NBCC to meet the claims of M/s IRCON. Accordingly liability of MOUD amounting to Rs. 7,63,08 thousands including interest upto 31.03.2000 has been written-back during 2000-2001 and has been shown under contingent liability.
7. Arbitration awards are accounted for on the basis of Rule of Court.
7. Till previous year work executed at project upto 20% of the contract value except for cost plus/deposit/project management works was classified under work-in-progress (WIP). From the financial year 2003-2004 as per the revised Accounting Standard-7 (AS-7), the quantum of work executed at project irrespective of any percentage is classified under value of work done instead of work-in-progress(WIP) except expenditure incurred in preparatory works on Defence Housing Projects.

The provision for gratuity and leave encashment in respect of all the employees of the Corporation has been made on actuarial basis.

Financial impact due to above change in policies is not ascertainable.

7. Due to change in assumption of interest rates from 8.5% to 7.5% for actuarial valuation of Gratuity and Leave Encashment, Provision for Gratuity and Leave Encashment during the year is higher by Rs. 60,00 thousands and Rs. 40,00 thousands respectively.



26. Govt. of India issued subscribed and fully paid up 7% non-cumulative preference shares redeemable in 10 years upto 31.03.2007 for Rs. 30.00 crore. As per the guidelines issued by Govt. of India vide letter No.0-17031/38/94-PS dated 20.11.1998 the shares are redeemable in 10 years. Hence the provision for yearly redeemable shares not considered because the guidelines do not specify for yearly redemption of shares.
27. There is a special rupee loan from Syndicate Bank with a progressive liability for Rs.45,43,92 thousands (Principal amount Rs. 35,72,24 thousands and interest accrued Rs. 9,71,68 thousands) as on 31.03.2004. The one time settlement with Syndicate Bank is in the advance stage of completion. In view of this the amount appearing as unsecured loan is considered adequate.
27. 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 relationships:-

-) Joint Ventures:-
h) Jamal NBCC International(Proprietary) Limited
ii) IJM – NBCC - VRM
-) Key Managerial Personnel:-
h) Mr. Arup Roy Choudhury, CMD
ii) Mr. S.Shankar, Director(Projects)
iii) Mr. B.L. Bajaj, Director(Finance)
-) The following transactions were carried out with the related parties in the ordinary course of business.

(Rs. in thousands)

	2003-2004	2002-2003
<u>Joint Venture</u>		
<u>Receipt against</u>		
() Tender Expenses	40	--
() Supervision charges	12,13	--
() Bank Charges	38,16	--



(Rs. in thousands)

	2003-2004	2002-2003
Key Managerial Personnel		
() Salary	10,02	10,31
() Provident Fund Contribution	1,18	1,23
() Rent Residence(Net of Recovery)	4,06	3,53
() Medical Expenses	11	19
() Leave Travel Concession	17	84
() Leave Encashment(on actuarial basis)	51	92
() Gratuity (on actuarial basis)	60	56
	-----	-----
	16,65	17,58
	=====	=====

27. As per the requirement of Accounting Standard-22 (AS-22) "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax assets credited to Profit & Loss Account is Rs. 5,83,82 thousands which is considered capable of reversal in one or more subsequent years:-

(Rs. in thousands)

Description	Deferred Tax Assets/ (liabilities) As at 01.04.03	Current Deferred Tax Assets/ (liabilities) 2003-04	Total Deferred Tax Assets/ (liabilities) As at 31.03.2004
DEFERRED TAX ASSETS			
Provision for Retirement benefits	3,24,89	1,70	3,26,59
Provision for Doubtful debts & advances etc.	3,14,80	30,85	3,45,65
	-----	-----	-----
Total (a)	6,39,69	32,55	6,72,24
	=====	=====	=====
DEFERRED TAX LIABILITY			
Difference between depreciation as per books and depreciation as per Income Tax Act	(92,31)	3,89	(88,42)
	-----	-----	-----
Total (b)	(92,31)	3,89	(88,42)
	=====	=====	=====
DEFERRED TAX ASSETS(NET) Total(a-b)	5,47,38	36,44	5,83,82
	=====	=====	=====



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

	(1)	(2)
	(Rs. in thousands)	(Rs. in thousands)
j) Name of the Jointly Controlled entities	Jamal NBCC International (Proprietary) Limited	IJM-NBCC-VRM
ii) Investments	--	15,00
iii) Percentage of ownership interest	49% (Amount yet to be paid)	30%
iv)Country of Incorporation	Botswana, South Africa	New Delhi, India
v) Nature of work	Execution of civil and engineering projects in Botswana.	Construction of elevated Structures (viaduct) from KM 0.62 to KM 8.00 on Barakhamba Road, Connaught Place- Dwarka Section(line 3) – contract package No. 3C 21R including Ramp portion between Barakhamba Road, Connaught Place, New Delhi and Dwarka.
vi) Based on	Audited Results	Unaudited results
a) Total Assets	--	6,97,99
b) Total liabilities	--	6,77,18
c) Total Income	--	13,08,02
d) Total Expenditure	--	12,94,72
e) Contingent Liabilities	--	4,59,86
f) Capital commitment	--	--

Note: Since Corporation is yet to pay its 49% ownership interest the information as per vi(a) to (f) of (1) above are not applicable.



31. **CASH FLOW STATEMENT**
for the year ended 31st March, 2004

(Rs. in thousands)

	2003-04	2002-03
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	10,67,37	7,43,01
Adjustment for:		
Depreciation	1,00,37	61,08
(Profit)/Loss on sale of assets(net)	(39,32)	11,01
Lease Rent	(1,26,98)	(1,24,90)
	-----	-----
Operating Profit before working capital changes	10,01,44	6,90,20
Adjustment for:		
Sundry Debtors	(9,76,59)	(1,06,80)
Inventories	4,37,56	1,30,00
WIP	(13,80,60)	(16,22,14)
Loans & Advances	(12,13,79)	(25,11,86)
Investments	(15,00)	--
Sundry Creditors	43,87,88	45,27,64
Other Current Liabilities	82,47,65	132,93,49
	-----	-----
Cash generated from Operations	104,88,55	144,00,53
Direct Taxes paid	(10,44)	(24,54)
Gratuity and Leave Encashment (Net increase)	15,83	2,37,43
	-----	-----
Net Cash from Operating Activities (A)	104,93,94	146,13,42
Cash Flows from Investing Activities:		
Purchase of Fixed Assets	(2,18,57)	(90,43)
Sale of Fixed Assets	55,78	9,06
Lease Rent	1,26,98	1,24,90
	-----	-----
Net cash from Investing Activities (B)	(35,81)	43,53
C, Cash Flows from Financing Activities:		
Proceeds from issue of equity shares	--	--
Increase/(Decrease) of National Renewal Fund	(92)	30
Increase/(Repayment) of loans	10,84	12,82
	-----	-----
Net cash from Financing Activities (C)	9,92	13,12
	-----	-----
Net Increase in cash and cash equivalents (A) + (B) + (C)	104,68,05	146,70,07
	=====	=====
Cash and cash equivalents – Opening	213,71,26	67,01,19
Cash and cash equivalents – Closing	318,39,31	213,71,26



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

(Rs. in thousands)

d) Cash/Stamps in hand	5,72
d) Remittance in transit/Cheques in hand	13,78,55
d) Balances/FDRs/Call Deposits with Banks	304,55,04

	318,39,31
	=====

- i) Cash and cash equivalents at the end of 31.03.2004 include deposits with Banks amounting to Rs. 11,28,60 thousands which are not freely remissible to the Company.
- i) 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.
- i) Figures in brackets indicate cash outgo.



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

PRIMARY SEGMENT DISCLOSURE:

	Real Estate		Infrastructure		Civil Construction		Total	
	2003-2004	2002-2003	2003-2004	2002-2003	2003-2004	2002-2003	2003-2004	2002-2003
Revenue from External Customers	36,83,36	42,76,09	61,59,94	43,29,51	563,45,59	409,28,75	661,88,89	495,34,35
Inter Segment Revenue	--	--	--	--	--	--	--	--
Total Revenue	36,83,36	42,76,09	61,59,94	43,29,51	563,45,59	409,28,75	661,88,89	495,34,35
Segment Result:	3,97,54	25,25,47	74,28	(2,97,01)	12,45,14	2,45,46	17,16,96	24,73,92
Unallocated Corporate Expenses							(17,03,73)	(19,02,62)
Operating Profit							13,23	5,71,30
Interest Expenses							(24)	(5,66,91)
Interest Income							10,43,94	7,14,08
Income Taxes:-								
Provision for current year							(1,43,55)	--
Deferred Tax Credit							5,83,82	--
Net Profit							14,97,20	7,18,47
Segment Assets	82,42,65	47,52,94	43,96,81	53,64,71	609,80,27	559,53,64	736,19,73	660,71,29
Unallocated Corporate Assets							250,78,18	183,24,59
Total Assets							986,97,91	843,95,88
Segment Liabilities	29,14,75	26,54,43	29,52,37	42,40,41	732,34,42	627,74,63	791,01,54	696,69,47
Unallocated Corporation Liabilities							165,78,99	132,06,23
Total Liabilities							956,80,53	828,75,70
Capital Expenditure	--	--	4,57	40,13	1,69,13	12,99		
Depreciation	3,72	78	1,22,12	1,75,35	2,85,91	4,00,28	4,11,75	5,76,41
Non-cash expenditure other than Depreciation	--	--	1,56,72	1,41	6,48,96	3,66,56		
SECONDARY SEGMENT DISCLOSURE:								
	INLAND		FOREIGN		TOTAL			
Revenue from External Customers	660,03,25	492,01,91	1,85,64	3,32,44	661,88,89	495,34,35		
Segment Assets	498,83,54	427,64,64	227,54,29	233,06,65	726,37,83	660,71,29		
Capital Expenditure	1,69,13	53,12	--	--	1,73,70	53,12		



33.	Additional information pursuant to the provisions of Part-II of Schedule-VI of the Companies Act, 1956 is given below:	
A)	PARTICULARS OF STOCK SALES AND PURCHASES	(Rs. in thousands)

Stock	31.03.2004		31.03.2003	
	Quantity	Amount	Quantity	Amount
Opening stock	Nil	Nil	Nil	Nil
Closing Stock	Nil	Nil	Nil	Nil

Sales

31.03.2004				31.03.2003			
Amount	Quantity	Unit	Class of goods	Amount	Quantity	Unit	Class of goods
10,41	13	Nos.	Elect.Motors	16,02	20	Nos.	Motors
42,48	21	Nos.	Fan Assembly	26,29	13	No.	Fan Assembly
19,56	4537.5	Mtrs.	AC Pipe	53,40	32	No.	Gear Boxes
74,13	177.75	Mtrs.	Hot Water Pipe	19,23	6262.50	Mtrs.	ACP Pipe
53,77	35	Nos.	Drive Shaft Assy.				
53,21	2	Set	MCC Panel				
1,29			& Spares				
10,85	1	Set	Bus Duct				
3,60	1	Set	Chain Pully Block				
39,67	1	Set	PLC System				
3,37	1	Lumpsum	with software				
15,24	3544	Mtrs.] Power Cables				
	1	Lot] Glands & lugs				
38,78	4	Nos.	B/F Valve 1600				
48,26	33	Nos.	B/F Valve 700				
13,70	1	Set	Spares				
2,30	32	Nos.	Base frame for motor & gear box				
3,00	1	Lumpsum	MS Rods				
6,67	1	-do-	G.I. Flat				
56	1	-do-	Dial thermameter				
2,04	128	Set	Lighting Arrestor				
53	1	Lumpsum	Lighting panel				
28,82	3	Set	LT Transformer				
1,70	1	Lumpsum	Lighting fixture				
37	151	Nos.	Junction Box				
37	32	-do-	Push botton				
4	4	-do-	Temp detection				
11,26	4984	Nos.	Spray Nozzles				
14,75	1500	M2	Drift Eleminators				
		Nos.	PP Grid Fills				
		-do-	Saddle Support				
		-do-	St.steel clip				
2,20,58	182000	Mtrs.	St.steel strip				
		Nos.	Grid Support				
		-do-	Spacers				
		Kgs.	St.steel wire				
			Escalation				
21,47							
-----				-----			
7,42,78				221.09			
-----				-----			



Purchases

(Rs. in thousands)

31.03.2004				31.03.2003			
Amount	Quantity	Unit	Class of goods	Amount	Quantity	Unit	Class of goods
7,19	13	Nos.	Elect.Motors	11,07	20	Nos.	Motors
35,19	21	Nos.	Fan Assembly	22,25	13	Nos.	Fan Assembly
10,53	4537.5	Mtrs.	AC Pipe	34,68	32	Nos.	Gear Boxes
52,80	177.75	Mtrs.	Hot Water Pipe	11,08	6262.50	Mtrs.	ACP Pipe
26,54	35	Nos.	Drive Shaft Assy.				
32,65	2	Set	MCC Panel & Spares				
10,58	1	Set	Bus Duct				
1,99	1	Set	Chain Pully Block				
30,58	1	Set	PLC System with software				
12,10	3544	Mtrs.	Power Cables				
51	1	Lot	Glands & lugs				
24,40	4	Nos.	B/F Valve 1600				
42,92	33	Nos.	B/F Valve 700				
5,68	1	Set	Spares				
0	32	Nos.	Base frame for motor & gear box				
2,56	1	Lumpsum	MS Rods				
2,28	1	-do-	G.I. Flat				
1,13	1	Lot	Dial thermameter				
1,68	128	Set	Lighting Arrestor				
9	20	Nos.	Test Boxes				
2,92	1	Nos.	LT panel				
31,64	3	Set	LT Transformer				
4,12	1	Lot	Lighting Fixture				
61	151	Nos.	Junction Box				
46	32	-do-	Push botton				
13	4	-do-	Temp detection				
7,64	4984	-do-	Spray Nozzles				
10,74	1500	M2	Drift Eleminators				
1,58,21	182000	Nos.	PP Grid Fills				
1,79	5008	-do-	Saddle Support				
47	32640	-do-	St.steel clip				
2,84	29716	Mtrs.	St.steel strip				
1,60	239488	Nos.	Grid Support				
75	134196	-do-	Spacers				
37	2815.60	Kgs.	St.steel wire				
5,25,69				79.08			



B) Consumption of Raw Materials,
Spare parts & Components

(Rs. in thousands)

		2003-2004		2002-2003	
		Amount	%age	Amount	%age
()	Indigenous				
()	Raw Materials	26,68,09		32,91,21	
()	Spare Parts & Components	7,11		28,42	
		-----		-----	
		26,75,20	96.08	33,19,63	99.99
(ii)	Imported	-----		-----	
(a)	Raw Materials	93,84		--	
(b)	Spare parts & components	15,36		--	
		-----		-----	
		1,09,20	3.92	--	--
		-----		-----	
(iv)	Consumption in Foreign Project				
(e)	Raw Materials	5		41	
(e)	Spare Parts & Components	--		--	
		-----		-----	
		5	--	41	0.01
		-----		-----	
		27,84,45	100.00	33,20,04	100.00
		=====	=====	=====	=====

		2003-2004	2002-2003
C)	CIF Value of Imports during the year		
(i)	Raw Material	58,69	--
(i)	Spare parts	8,32	--
D)	Expenditure in Foreign currency		
()	Consultancy	38,85	94,72
()	Interest	--	--
()	Travelling	8,99	5,40
()	Other Matters (Construction activities)	1,65,99	2,07,79
E)	Earnings in Foreign Currency		
()	Interest	1,50	4,20
()	Other Income(Construction Activities)	2,73,78	4,59,76



34. The breakup of Auditor's Remuneration is as under:
Statutory Auditors:

(Rs. in thousands)

	2003-2004	2002-2003
() Audit fee	2,97	2,43
() Fee for Tax Audit	76	76
() Out of pocket expenses.	5,50	3,50
	-----	-----
	9,23	6,69
	=====	====
35. The remuneration of Directors including Chairman-cum-Managing Directors included in various schedules to the Profit & Loss Account is as under:-		
Salary	10,02	10,31
Provident Fund Contribution	1,18	1,23
Rent Residence(Net of Recovery)		
Medical Expenses	4,06	3,53
Leave Travel Concession	11	19
Leave Encashment(on actuarial basis)	17	84
Gratuity (on actuarial basis)	51	92
	60	56
	-----	-----
	16,65	17,58
	=====	====

36. 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.



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

Registration Details:

Registration No. - 003335 State Code - 55

Balance Sheet Date- 31.03.2004

Capital Raised during the year (Amount Rs. in thousands):

Public Issue - Nil Right Issue - Nil

Bonus Issue - Nil Private placement - Nil

Position of Mobilisation and Deployment of Funds(Amount Rs. in thousand)

Total Liabilities - 245,34,21 Total Assets * - 245,34,21

Paid-up Capital - 120,00,00 Reserves and Surplus - Nil

Secured Loans - 16,72 Unsecured Loans - 125,17,49

Application of Funds

Net Fixed Assets - 9,86,86 Investments - 15,00

Deferred Tax Assets - 5,83,82

Net Current Assets - 139.65,91 Misc. Expenditure - Nil

Accumulated Losses - 89,82,62

IV. Performance of Company (Amount Rs. in thousands):

Turnover - 667,34,04 Total Expenditure - 656,66,67

Profit Before Tax - 10,67,37 Profit after tax - 14,97,20

Earning per share in Rs. - 166.36 Dividend - --

* Net of Current Liabilities & Provisions.

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

38. Minus figures have been shown in brackets.

39. Previous year's figures have been recognised / recast / rearranged, wherever necessary in order to conform to this year's presentation.

Signatories to Schedule '1' to '21'

Sd/-
(B.L. BAJAJ)
Director(Finance)

Sd/-
(S. SHANKAR)
Director(Projects)

Sd/-
(ARUP ROY CHOUDHURY)
Chairman-cum-Managing Director

Sd/-
(A.K.SINGH)
Company Secretary

Sd/-
(R.K. TREHAN)
Addl.General Manager(Fin)

Sd/-
(S.K. KHURANA)
General Manager(Finance)

As per our report of even date

For Jindal & Co.
Chartered Accountants

Place : New Delhi
Dated : 25th August 2004

Sd/-
(AKHIL JINDAL)
Partner