



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2007

(Rs. in lakhs)

| | SCHEDULE | 2006-2007 | 2005-2006 |
|---|--------------|------------------|-----------|
| INCOME | | | |
| VALUE OF WORK DONE | | 139628.66 | 119497.81 |
| Work-in Progress | | 6364.73 | 4072.11 |
| Other Income | 13 | 7102.72 | 8463.62 |
| Increase/(Decrease) in stock | 14 | (1748.58) | (389.71) |
| Prior Period Income | 22 | 83.26 | 27.95 |
| | TOTAL | 151430.79 | 131671.78 |
| EXPENDITURE | | | |
| Land Cost / Material Consumed | 15 | 1505.60 | 3678.04 |
| Expenditure on Piece Rate Work/Consultancy | 16 | 123127.07 | 106979.23 |
| Salaries, Wages & Benefits | 17 | 4628.40 | 4714.82 |
| Other Expenses | 18 | 6643.61 | 2983.25 |
| Provisions & Write-offs | 19 | 2508.55 | 8159.82 |
| Depreciation & Amortisation | 21 | 293.83 | 449.50 |
| Prior Period Expenditure | 22 | 76.27 | (48.64) |
| | TOTAL | 138783.33 | 126916.02 |
| Profit before interest and Income Tax Carried Over | | 12647.46 | 4755.76 |



(Rs. in lakhs)

| | SCHEDULE | 2006-2007 | | 2005-2006 |
|--|----------|-----------------|--------|-----------|
| Profit before interest and Income Tax | | | | |
| Brought Forward | | 12647.46 | | 4755.76 |
| Interest | 20 | 212.85 | | 788.45 |
| Profit before Income Tax | | 12434.61 | | 3967.31 |
| Income Tax (Overseas Projects) | | -- | | 4.33 |
| Provision for current Tax | | 4296.08 | | 972.33 |
| Shortfall in provision for I.Tax in previous years | | 19.91 | | 60.81 |
| Provision for Fringe Benefit Tax | | 21.82 | | 20.00 |
| Deferred tax (Assets)/Liabilities: | | | | |
| Current year | 8.99 | | 106.38 | |
| Earlier year | -- | | -- | |
| | ----- | 8.99 | ----- | 106.38 |
| Profit available for appropriation | | 8087.81 | | 2803.46 |
| | | ----- | | ----- |
| Appropriations: | | | | |
| Preference Shares Redemption Reserve | | 3000.00 | | -- |
| Proposed Dividend on Preference Shares | | 210.00 | | -- |
| Proposed Final Dividend on Equity Shares | | 90.00 | | -- |
| Dividend Distribution Tax | | 51.00 | | -- |
| Balance carried over to Balance Sheet | | 4736.81 | | 2803.46 |
| | | ----- | | ----- |
| | | 8087.81 | | 2803.46 |
| | | ----- | | ----- |
| Accounting Policies | 23 | | | |
| Notes On Accounts | 24 | | | |

Schedules 13 to 24 form integral part of the Profit & Loss Account.

(AJAY K GARG)
Director(Finance)

(V.P. DAS)
Director(Projects)

(ARUP ROY CHOUDHURY)
Chairman-cum-Managing Director

(A.K. SINGH)
Company Secretary

(R.K. TREHAN)
General Manager(Fin)

(S.K. KHURANA)
Group General Manager(Fin)

As per our report of even date.

For Dinesh Mehta & Co.
Chartered Accountants.

Place: New Delhi.
Date:

(SANJEEV KWATRA)
Partner



SCHEDULE-1

SHARE CAPITAL

(Rs. in lakhs)

| | AS AT 31.03.2007 | AS AT 31.03.2006 |
|---|---------------------|---------------------|
| AUTHORISED CAPITAL | | |
| 9,00,000 Equity shares (Previous year 9,00,000 Equity Shares) of Rs.1,000/- each | 9000.00 | 9000.00 |
| 3,00,000 7% Non-cumulative Redeemable Preference Shares (Previous year 3,00,000) of Rs.1,000/- each | 3000.00 | 3000.00 |
| TOTAL | 12000.00 | 12000.00 |
| ISSUED, SUBSCRIBED & PAID UP | | |
| 9,00,000 Equity Shares (Previous year 9,00,000 Equity Shares) of Rs1,000/- each fully paid up | 9000.00 | 9000.00 |
| 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 | 3000.00 | 3000.00 |
| TOTAL | 12000.00 | 12000.00 |

SCHEDULE-2

Reserves & Surplus

| | | |
|---|----------------|-----------|
| <u>Capital Redemption Reserve</u> | 3000.00 | -- |
| <u>Profit & Loss Account</u> | | |
| As per last Balance Sheet | (4633.32) | (7436.78) |
| Add: Transferred from Profit & Loss Account | 4736.81 | 2803.46 |
| | 103.49 | (4633.32) |
| TOTAL | 3103.49 | (4633.32) |



SCHEDULE-3

LOANS

(Rs. in lakhs)

| | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|--|-----------------------------|--|-----------------------------|
|--|-----------------------------|--|-----------------------------|

SECURED LOANS

--

--

TOTAL

--
=====

--
=====

UNSECURED LOANS

From Govt. of India
Interest accrued and due
(Overdue for payment)

--
6713.57

6713.57

--
6713.57

6713.57

From Govt. Bodies
Interest accrued and due
(Guaranteed by the President
of India in shape of Indemnity
Bond)

--
--

--

--
1200.00

1200.00

TOTAL

6713.57
=====

7913.57
=====



SCHEDULE-4

FIXED ASSETS

(Rs. in lakhs)

| SL. NO. | DESCRIPTION | GROSS BLOCK AT COST | | | | DEPRECIATION | | | | NET BLOCK | |
|---------|---|---------------------|--|--|------------------------------|----------------|--------------|------------------------------------|---------------------------|------------------------------|-------------------------|
| | | AS AT 01.04.06 | ADDITION / ADJUSTMENTS DURING THE YEAR | SALES/ TRANSFER /ADJUSTMENTS DURING THE YEAR | AS AT 31.03.07 (3+4-5) | AS AT 01.04.06 | FOR THE YEAR | SALES/ ADJUSTMENTS DURING THE YEAR | AS AT 31.03.07 (7+8-9) | AS AT 31.03.07 (6-10) | AS AT 31.03.06 (3-7) |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1. | LAND (LEASE HOLD) MBP GHITORNI LODHI ROAD | #255.33 # 8.62 | -- -- | 11.35 -- | 243.98 8.62 | -- -- | -- -- | -- -- | -- -- | 243.98 8.62 | 255.33 8.62 |
| 2. | OFFICE BUILDING | 196.26 | -- | -- | 196.26 | 26.61 | 3.20 | -- | 29.81 | 166.45 | 169.65 |
| 3. | RESIDENTIAL FLATS | 1.71 | -- | -- | 1.71 | 0.44 | 0.03 | -- | 0.47 | 1.24 | 1.27 |
| 4. | PLANT & MACHINERY | 1464.01 | 30.77 | 168.41 | 1326.37 | 956.37 | 36.24 | 137.28 | 855.33 | ## 471.04 | 507.64 |
| 5. | OFFICE FURNITURE & EQUIPMENTS | 517.29 | 27.93 | 5.34 | 539.88 | 354.94 | 28.50 | 2.90 | 380.54 | 159.34 | 162.35 |
| 6. | FIXTURE & FITTINGS | 125.82 | -- | -- | 125.82 | 23.29 | 7.92 | -- | 31.21 | 94.61 | 102.53 |
| 7. | VEHICLES | 330.96 | 10.60 | 13.01 | 328.55 | 230.63 | 14.77 | 12.36 | 233.04 | ## 95.51 | ## 100.33 |
| | TOTAL:- | 2900.00 | 69.30 | 198.11 | 2771.19 | 1592.28 | 90.66 | 152.54 | 1530.40 | 1240.79 | 1307.72 |
| | PREVIOUS YEAR FIGURES | 2956.95 | 193.42 | 250.37 | 2900.00 | 1605.90 | 66.16 | 79.78 | 1592.28 | 1307.72 | 1351.05 |

| | |
|----|---|
| # | Lease for 99 years. |
| ## | Net block of P&M and Vehicles includes an amount of Rs. 22.76 lakhs & Rs. 0.63 lakhs respectively being the value of items retired from active use. |



SCHEDULE 5

INVESTMENTS

(Rs. in lakhs)

| | AS AT 31.03.2007 | AS AT 31.03.2006 |
|--|---------------------|---------------------|
|--|---------------------|---------------------|

LONG TERM

| | | |
|--|--------------|--------------|
| Corporation's share in Joint Venture (IJM – NBCC – VRM) | 15.00 | 15.00 |
| Corporation's Share in Joint Venture (Jamal NBCC International (Proprietary) Limited) | 3.40 | -- |
| Corporation's Share in Joint Venture (AMC - NBCC) | 3.91 | -- |
| TOTAL | 22.31 | 15.00 |



SCHEDULE 6

INVENTORIES

(Rs. in lakhs)

| | AS AT 31.03.2007 | AS AT 31.03.2006 |
|--|-----------------------------|---------------------|
|--|-----------------------------|---------------------|

As taken, valued and certified by the management in terms of Accounting Policies 5 & 7

| | | |
|---------------------------|---------------|--------|
| Stores & Spare Parts | 27.08 | 25.94 |
| Tools and Equipments etc. | 156.04 | 205.02 |

Materials

Building Material

| | | |
|---|---------------|--------|
| Own | 325.66 | 311.52 |
| Clients | 2.31 | 10.84 |
| Steel Scrap | 3.86 | 1.17 |
| Stores, Spares and Stock in Transit | -- | 4.70 |
| Centering, Shuttering & Scaffolding | 718.20 | 851.77 |
| Furniture, Fixtures & Equipments in Hostel/Staff camp | 0.59 | 1.12 |

TOTAL

1233.74

1412.08

=====

=====



SCHEDULE 7

SUNDRY DEBTORS(UNSECURED)

(Rs. in lakhs)

| | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|--|-----------------------------|----|-----------------------------|
| Debts Outstanding for a period exceeding six months: | | | |
| Considered Good | 14874.78 | | 23539.73 |
| Considered Doubtful | 596.25 | | 1092.39 |
| Less:- Provision | 596.25 | | 1092.39 |
| | ----- | -- | ----- |
| Other Debts: | | | |
| Considered Good | 33425.39 | | 25609.30 |
| | ----- | | ----- |
| | 48300.17 | | 49149.03 |
| Less: Credit amount lying in Clients' General Account (including advance against value of work done) | | | |
| | 181.91 | | 1581.04 |
| Material Account | 38.36 | | 54.56 |
| | ----- | | ----- |
| | 220.27 | | 1635.60 |
| | ----- | | ----- |
| TOTAL | 48079.90 | | 47513.43 |
| | ===== | | ===== |



SCHEDULE 8

CASH & BANK BALANCES:

(Rs. in lakhs)

| | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|---|---------------------|-----------------|---------------------|
| Cash Balances | | | |
| Cash in Hand | 2.73 | | 1.78 |
| Stamps in Hand | 0.18 | | 0.13 |
| Remittances in Transit | 2001.92 | | 712.00 |
| Cheques in Hand | 281.32 | | 627.33 |
| | ----- | 2286.15 | ----- |
| | | | 1341.24 |
| Bank Balances with Scheduled Banks | | | |
| Current Account | 8415.24 | | 4029.63 |
| Fixed Deposits | 64418.00 | | 56374.54 |
| Call Deposits | 21.75 | | 21.53 |
| | ----- | 72854.99 | ----- |
| | | | 60425.70 |
| Bank Balances with Non Scheduled Banks | | | |
| In Deposit Account | 0.04 | | 149.25 |
| In Current Account | 0.22 | | 979.35 |
| In Fixed Deposits | -- | | -- |
| | ----- | 0.26 | ----- |
| | | | 1128.60 |
| TOTAL | ----- | 75141.40 | ----- |
| | | ===== | ===== |
| | | | 62895.54 |

DETAILS OF BALANCES WITH NON-SCHEDULED BANKS

| | Maximum balance during | | Balance as at | |
|----------------------------------|------------------------|-----------|---------------|------------|
| | 2006-2007 | 2005-2006 | 31.03.2007 | 31.03.2006 |
| <u>In Deposit Account</u> | | | | |
| Rasheed Bank, Iraq | 0.04 | 149.25 | 0.04 | 149.25 |
| <u>In Current Account</u> | | | | |
| Rasheed Bank, Iraq | 0.22 | 979.35 | 0.22 | 979.35 |
| T.C.Ziraat Bank, Turkey | -- | 22.64 | -- | -- |
| <u>In Fixed Deposit</u> | | | | |
| T.C. Ziraat Bank, Turkey | -- | 1.94 | -- | -- |



SCHEDULE 9

LOANS AND ADVANCES

(Rs. in lakhs)

| | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|---|-----------------------------|---------|-----------------------------|
| Advances recoverable in Cash or in kind or for value to be received | | | |
| Secured -- Considered Good | 2.93 | | 3.47 |
| Unsecured – Considered Good | 18561.75 | | 17999.33 |
| Unsecured – Considered Doubtful | 307.63 | 579.75 | |
| Less: Provisions | 307.63 | 579.75 | |
| | ----- | ----- | ----- |
| | 18564.68 | | 18002.80 |
| Security Deposits | 5139.62 | | 5187.76 |
| Advance Fringe Benefit Tax: | | | -- |
| 2005-06 | 20.00 | 16.28 | |
| 2006-07 | 29.21 | -- | |
| | ----- | ----- | 16.28 |
| Advance Income Tax: | | | |
| 2003-04 | -- | 218.94 | |
| 2004-05 | -- | 1005.97 | |
| 2005-06 | 1033.52 | 1033.51 | |
| 2006-07 | 4214.60 | -- | |
| | ----- | ----- | 2258.42 |
| TOTAL | 29001.63 | | 25465.26 |
| | ===== | | ===== |

**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 31.03.2007 | AS AT 31.03.2006 | THIS YEAR | PREVIOUS YEAR |
| Directors including Chairman-cum-Managing Director | -- | -- | 4.08 | 8.89 |
| Officers | 5.96 | 7.95 | 9.45 | 15.77 |



SCHEDULE 10

OTHER CURRENT ASSETS

(Rs. in lakhs)

| | AS AT 31.03.2007 | AS AT 31.03.2006 |
|------------------------------------|---------------------|---------------------|
| Interest Accrued on Fixed Deposits | 1033.69 | 646.96 |
| TOTAL | 1033.69 | 646.96 |

SCHEDULE 11

CURRENT LIABILITIES & PROVISIONS:

(Rs. in lakhs)

| | AS AT 31.03.2007 | AS AT 31.03.2006 |
|--|---------------------|---------------------|
|--|---------------------|---------------------|

CURRENT LIABILITIES

Sundry Creditors

| | | | |
|---|------------------|-------|------------------|
| (i) Small Scale Industries | | | |
| (a) M/s Indegenous Control and Elect.Pvt Ltd. | 2.46 | 1.26 | |
| (b) M/s Alumilite Architectural Pvt Ltd. | 1.08 | 1.50 | |
| | ----- | ----- | 2.76 |
| | 3.54 | | |
| (ii) Others | 70168.20 | | 64664.17 |
| Other Liabilities: | | | |
| Taxes Payable | 2929.44 | | 1153.25 |
| Invoked Bank Guarantee | 8.58 | | 20.34 |
| Earnest Money & Security Deposit | 15266.85 | | 10945.99 |
| Employees Security Deposit | 2.14 | | 2.15 |
| Receipt against uncertified bills of Iraq(DPA) from MOUD | 3426.84 | | 3426.84 |
| Advances from Clients | 46731.84 | | 48772.52 |
| (Include Mobilisation Advance secured by Bank Guarantees amounting to Rs. 2165.07 lakhs Previous year Rs.1237.68 lakhs) | | | |
| Client's Material | 2.31 | | 10.84 |
| TOTAL | 138539.74 | | 128998.86 |



(Rs. in lakhs)

| | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|--|-----------------------------|-----------------|-----------------------------|
| PROVISIONS | | | |
| Gratuity | | | |
| Opening Balance | 2533.79 | | 2267.60 |
| Less: Paid | 180.54 | | 190.86 |
| | ----- | | ----- |
| Add: Additions | 2353.25 | | 2076.74 |
| | 274.96 | | 457.05 |
| | ----- | 2628.21 | ----- |
| | | | 2533.79 |
| Taxation (Overseas Projects) | | | |
| | 336.19 | | 845.72 |
| Less: Advance Tax | 306.35 | | 770.65 |
| | ----- | 29.84 | ----- |
| | | | 75.07 |
| Taxation (Inland Projects) | | | |
| 2003-2004 | -- | | 218.94 |
| 2004-2005 | -- | | 991.54 |
| 2005-2006 | 972.33 | | 972.33 |
| 2006-2007 | 4296.08 | | -- |
| | ----- | 5268.41 | ----- |
| | | | 2182.81 |
| Leave Encashment | | | |
| Opening Balance | 1222.69 | | 1021.09 |
| Less: Paid | 96.97 | | 103.55 |
| | ----- | | ----- |
| Add: Additions | 1125.72 | | 917.54 |
| | 352.49 | | 305.15 |
| | ----- | 1478.21 | ----- |
| | | | 1222.69 |
| Impairment of Assets | | 23.39 | 22.20 |
| Foreseeable losses | | 344.10 | 97.35 |
| Fringe Benefit Tax | | 41.82 | 20.00 |
| Other/Contingencies | | 60.03 | 89.14 |
| Proposed Dividend on Preference Shares | | 210.00 | -- |
| Proposed Final Dividend on Equity Shares | | 90.00 | -- |
| Dividend Distribution Tax | | 51.00 | -- |
| | | ----- | ----- |
| TOTAL | | 10225.01 | ----- |
| | | ===== | ===== |
| | | | 6243.05 |



SCHEDULE 12

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(Rs. in lakhs)

| | | AS AT 31.03.2007 | | AS AT 31.03.2006 |
|--|-------|---------------------|-------|---------------------|
| Discrepancy in Fixed Assets | 1.94 | | 2.36 | |
| Less: Provisions | 1.94 | | 2.36 | |
| | ----- | -- | ----- | -- |
| Discrepancy in Stores | 19.48 | | 21.16 | |
| Less: Provision | 19.48 | | 21.16 | |
| | ----- | -- | ----- | -- |
| TOTAL | | ----- | | ----- |
| | | -- | | -- |
| | | ----- | | ----- |
| <u>DEFERRED REVENUE EXPENDITURE</u> | | | | |
| 1) <u>Technical knowhow</u> | | | | |
| -- Opening Balance | 13.01 | | 16.26 | |
| -- Additions | -- | | -- | |
| | ----- | | ----- | |
| -- Total | 13.01 | | 16.26 | |
| -- Less: Written-off | 3.25 | | 3.25 | |
| | ----- | 9.76 | ----- | 13.01 |
| 2) <u>Consultancy Charges</u> | | | | |
| --Opening Balance | 21.78 | | 75.55 | |
| --Additions | -- | | 21.78 | |
| | ----- | | ----- | |
| --Total | 21.78 | | 97.33 | |
| --Less: Charged | 21.78 | | 75.55 | |
| | ----- | -- | ----- | 21.78 |
| TOTAL | | ----- | | ----- |
| | | 9.76 | | 34.79 |
| | | ----- | | ----- |



SCHEDULE 13

OTHER INCOME

| | (Rs. in lakhs) | |
|---|----------------|-----------|
| | 2006-2007 | 2005-2006 |
| Unadjusted credit balances written-back | 959.39 | 515.24 |
| Profit on Sale of Assets | 45.31 | 2133.05 |
| Interest (Gross, Income Tax Deducted at source Rs. Nil Previous Year Rs. Nil) | | |
| From Bank | 4746.81 | 3333.03 |
| On advances to staff | 6.46 | 0.09 |
| On advances to PRW/Suppliers | 90.02 | 118.08 |
| Others | -- | 142.68 |
| Misc. Receipts | 839.28 | 552.81 |
| Rent | 1.53 | 129.20 |
| Dividend received in Joint Venture | 3.47 | -- |
| Provisions Written-back. | | |
| Sundry Debtors | 92.55 | 1431.04 |
| Doubtful Advances | 257.23 | 107.65 |
| Discrepancy in Stores | 0.66 | -- |
| Discrepancy in Fixed Assets | 0.41 | -- |
| Others | 59.60 | 0.75 |
| TOTAL | 7102.72 | 8463.62 |
| | ===== | ===== |



SCHEDULE 14

INCREASE/(DECREASE) IN STOCK

(Rs. in lakhs)

| | 2006-2007 | | 2005-2006 |
|---|-----------|------------------|-----------------|
| NET INCREASE/(DECREASE) IN STOCK | | | |
| WORK IN PROGRESS | | | |
| Opening Balance | 10729.53 | | 7621.77 |
| Additions | 6364.73 | | 4072.11 |
| | ----- | 17094.26 | ----- |
| Adjustment during the year | 1019.95 | | 574.64 |
| Closing Balance | 14325.73 | | 10729.53 |
| | ----- | 15345.68 | ----- |
| Net Increase / (Decrease) | | (1748.58) | (389.71) |
| | | ===== | ===== |

SCHEDULE 15

LAND COST / MATERIAL CONSUMED

(Rs. in lakhs)

| | 2006-2007 | | 2005-2006 |
|--------------------------------|----------------|----------------|----------------|
| Land Cost | -- | | 2227.50 |
| Material consumed | | | |
| Opening Stock | 323.53 | | 202.90 |
| Add: Purchases: | 1670.40 | | 1586.50 |
| | ----- | | ----- |
| | 1993.93 | | 1789.40 |
| Less: | | | |
| Transfers, Returns & Sales | 161.35 | | 33.64 |
| Closing Stock | 331.83 | | 323.53 |
| | ----- | | ----- |
| Add: Carriage & Freight Inward | 1500.75 | | 1432.23 |
| | 4.85 | | 18.31 |
| | ----- | 1505.60 | ----- |
| | | ===== | ----- |
| TOTAL | 1505.60 | | 3678.04 |
| | ===== | | ===== |



SCHEDULE 16

EXPENDITURE ON PIECE RATE WORK/CONSULTANCY

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--------------------------------------|------------------|------------------|
| Piece Work Labour (without material) | 2084.21 | 2768.61 |
| Piece Work contract(with material) | 119750.78 | 103237.62 |
| Consultancy | 1292.08 | 973.00 |
| TOTAL | 123127.07 | 106979.23 |

SCHEDULE 17

SALARIES, WAGES & BENEFITS

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|----------------------------------|----------------|----------------|
| Salaries, Wages & other benefits | 3791.38 | 3971.36 |
| Contribution to Provident Fund | 488.34 | 436.01 |
| Workmen & Staff Welfare Expenses | 348.68 | 307.45 |
| TOTAL | 4628.40 | 4714.82 |



**SCHEDULE 18
OTHER EXPENSES**

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--|----------------|----------------|
| Insurance of work | 47.91 | 59.84 |
| Water, Electricity & Allied charges | 158.76 | 198.77 |
| Rent | 93.27 | 74.87 |
| Travelling & Conveyance | 303.71 | 305.04 |
| Entertainment | 16.72 | 19.10 |
| Auditor's Remuneration | 6.77 | 7.43 |
| CPF Audit | 0.06 | 0.05 |
| Internal Audit Expenses | 6.18 | 4.50 |
| Certification work | -- | 0.15 |
| Carriage & Freight(General) | 21.22 | 38.08 |
| Legal & Professional Charges | 95.43 | 62.79 |
| Postage, Telegram, Telephone & Fax | 70.11 | 71.36 |
| Printing & Stationery | 51.65 | 54.66 |
| Tender & Survey Expenses | 212.45 | 117.00 |
| Advertisement & Publicity | 148.18 | 91.68 |
| Royalty | -- | 2.50 |
| Conference & Management | | |
| Development Expenses | 68.40 | 28.47 |
| Stamp Duty | -- | 179.71 |
| Wealth Tax | 0.69 | 0.72 |
| Sales Tax & Works Contract Tax | 267.91 | 189.78 |
| Bank charges & Guarantee Commission | 94.78 | 924.88 |
| Running Expenses of Plant & Machinery/Vehicles | 48.94 | 54.84 |
| Repairs & Maintenance: | | |
| - Plant & Machinery/Vehicles | 30.79 | 58.84 |
| - Buildings | 54.75 | 41.19 |
| - Others | 50.43 | 75.38 |
| Rates & Taxes | 408.32 | 164.03 |
| Insurance | 6.20 | 11.90 |
| Hire Charges | 53.26 | 58.13 |
| Misc. Expenses | 91.24 | 84.25 |
| Exchange Loss (Net) | 4235.48 | 3.31 |
| TOTAL | 6643.61 | 2983.25 |



**SCHEDULE 19
PROVISIONS & WRITE-OFFS**

(Rs. in lakhs)

| | 2006-2007 | | 2005-2006 |
|--------------------------|-----------|----------------|-----------|
| Provisions: | | | |
| - Gratuity | 274.96 | | 457.05 |
| - Leave Encashment | 352.49 | | 305.15 |
| - Sundry Debtors | 26.07 | | -- |
| - Impairment of Assets | 1.19 | | 22.20 |
| - Foreseeable losses | 287.97 | | 97.35 |
| - Loans & Advances | 16.42 | | -- |
| | ----- | 959.10 | ----- |
| | | | 881.75 |
| Write-Offs: | | | |
| - Fixed Assets | 1.79 | | 0.89 |
| - Stores | 8.88 | | 1.06 |
| - Loss on Sale of Stores | 5.99 | | 1.90 |
| - Loss on Sale of Assets | 8.59 | | 3.38 |
| - Sundry Debtors | 898.33 | | 5275.14 |
| - Loans and Advances | 622.62 | | 1992.45 |
| - Technical knowhow | 3.25 | | 3.25 |
| | ----- | 1549.45 | ----- |
| | | | 7278.07 |
| TOTAL | | 2508.55 | |
| | | ===== | ===== |
| | | | 8159.82 |



SCHEDULE 20

INTEREST

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--|-----------|-----------|
|--|-----------|-----------|

INTEREST

| | | |
|-------------------------------------|---------------|---------------|
| - On Working Capital financing cost | 109.14 | 234.16 |
| - On Land Cost (Pragati Vihar) | -- | 487.00 |
| - Others | 103.71 | 67.29 |
| | ----- | ----- |
| TOTAL | 212.85 | 788.45 |
| | ===== | ===== |

SCHEDULE 21

DEPRECIATION & AMORTISATION

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--|-----------|-----------|
|--|-----------|-----------|

DEPRECIATION

| | | |
|--|---------------|---------------|
| Fixed Assets | 90.66 | 89.97 |
| Temporary Hutments, Waterline & Electric Installations | 36.51 | 68.31 |
| Furniture & Equipments | 0.77 | 0.48 |
| | ----- | ----- |
| | 127.94 | 158.76 |

AMORTISATION

| | | |
|-----------------------|---------------|---------------|
| CSS | 111.59 | 212.27 |
| Loose Tools | 52.87 | 76.79 |
| Laboratory Equipments | 1.43 | 1.68 |
| | ----- | ----- |
| | 165.89 | 290.74 |
| | ----- | ----- |
| TOTAL | 293.83 | 449.50 |
| | ===== | ===== |



SCHEDULE 22

PRIOR PERIOD ADJUSTMENTS

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--|--------------|----------------|
| EXPENDITURE | | |
| Material Consumed | -- | (0.86) |
| Piece Rate Labour | 49.31 | (12.86) |
| Consultancy | (0.57) | -- |
| Depreciation on fixed assets | -- | (23.81) |
| Running expenses SCV | -- | (11.11) |
| Rates & Taxes | (13.73) | -- |
| Interest Others | 41.26 | -- |
| TOTAL | 76.27 | (48.64) |
| INCOME | | |
| Value of Work Done | 76.53 | 27.95 |
| Interest Received | 8.81 | -- |
| Unadjusted Credit Balance written-back | (2.08) | -- |
| TOTAL | 83.26 | 27.95 |



SCHEDULE 23 ACCOUNTING POLICIES

1. 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.

2. VALUE OF WORK DONE (INCOME RECOGNITION):

a) Value of work done is being shown in the accounts based on percentage completion method after deductions in the event of possible likely rejections. 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 realisable based on the previous experience of the Management.
- v) Claims referred to arbitration or lodged against constituent to the extent considered realisable 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 received, 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 Project. The increase/decrease in Work-in-Progress is accounted for as income or expenditure for 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 cost. Costs directly attributable to acquisition of fixed assets are capitalised.

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 Rs.5000/- each are depreciated fully in the year of its acquisition.
- c) Temporary hutments and installations are depreciated fully in the year of its creation.
- d) Furniture, Fixtures and Equipments in Transit/Staff Camps are considered as Current Assets and the depreciation thereon is ascertained by deducting the realisable 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 realisable value, as estimated by the Management from the book value.

6. **FOREIGN CURRENCY TRANSACTIONS**

a) **Foreign Projects**

- (i) Revenue items, other than opening and closing inventories and depreciation, are translated into Indian Currency at an average of opening and closing buying rates.
- (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) 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.

b) 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**

- a) Valuation of Direct Material is done at lower of historical cost or net realisable value.
- b) Stores and spare parts are valued at cost.
- c) Steel scrap, Tools & Equipments etc. are valued at estimated realisable value.
- d) Centering, shuttering & Scaffolding and furniture, fixture & equipments in transit/staff camps 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**

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.



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

13. **TAXES ON INCOME**

Deferred tax is recognised 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 recognised only to the extent there is a reasonable certainty of its realisation.

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. Impairment loss when crystallizes is charged against revenue of the year.

15. **CONTINGENT LIABILITIES**

Contingent liabilities are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.



SCHEDULE 24

**NOTES FORMING PART OF ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2007**

(Rs. in lakhs)

| | | 2006-2007 | 2005-2006 |
|----|--|------------------|------------------|
| 1. | CONTINGENT LIABILITIES:- | | |
| | (a) (i) Claims against the Corporation not acknowledged as debts. Counter claims of the Corporation against these claims amounting to Rs.12828.55 lakhs (Previous year Rs.24783.53 lakhs) not accounted for in books. | 20693.95 | 28847.66 |
| | (ii) Bank Guarantees for performance, EMD and Security Deposit | 7011.98 | 6357.68 |
| | (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.2280.78 lakhs (previous year LD 6,716,079.430 equivalent to Rs.5737.54 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. | 2280.78 | 5737.54 |
| | (ii) 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). | 1557.19 | 1531.19 |



| | | | |
|--|--|------------|----------------------|
| | (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. | NOT | ASCERTAINABLE |
| | (iv) Letters of credit opened but not utilised. | -- | -- |

2. Fixed Deposits / Deposits with scheduled/non-scheduled banks for Rs.9074.03 lakhs (previous year Rs.13038.57 lakhs) includes Rs.8951.00 lakhs (previous year Rs.12770.00 lakhs) for issuing of bank guarantees which are under lien with banks as per stipulation of the bank.
3. An amount of Rs. 0.26 lakhs (Previous year Rs.1128.60 lakhs) lying with Rasheed Bank, Iraq can not be repatriated to India. Balance confirmation for this amount is not available from the Bank.
4. Lease/Title Deeds for following Land and Buildings are pending for execution in the name of Corporation:

(Rs. in lakhs)

| | | As at 31.03.2007 | As at 31.03.2006 |
|-------|---|-------------------------|------------------|
| | <u>FIXED ASSETS :-</u> | | |
| (i) | Land at Lodhi Road, New Delhi * | 8.61 | 8.61 |
| (ii) | Land at MBP, Mehrauli Road, Ghitorni, New Delhi | 243.98 | 255.33 |
| (iii) | Office building at Arun Chambers, Mumbai | 5.49 | 5.49 |

* 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.

(Rs. in lakhs)

| | | As at 31.03.2007 | As at 31.03.2006 |
|-------|--|-------------------------|------------------|
| | <u>WORK-IN-PROGRESS :-</u> | | |
| (i) | Golf Link, New Delhi | 79.14 | 79.14 |
| (ii) | Shopping Complex at Vadodara | -- | 193.66 |
| (iii) | Shopping-cum-Office Complex at Pushp Vihar | 2829.66 | 2829.66 |
| (iv) | Real Estate Rajarhat, Kolkata | -- | 2286.90 |
| (v) | Real Estate Kochi | 118.80 | 118.80 |



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

5. Sundry Debtors includes outstanding dues from Govt./PSUs and other departments in respect of closed projects (other than Foreign Projects) amounting to Rs.3828.17 lakhs (previous year Rs.5601.01 lakhs) which are outstanding for more than three years. Out of this sum, an amount of Rs.1340.45 lakhs (previous year Rs.1969.80 lakhs) is pending in arbitration/court proceedings. No provision has been considered against these amounts as the same are considered good for recovery.
6. Debtors include sum of Rs. 4852.74 lakhs (Previous year Rs. 5234.41 lakhs) outstanding in respect of Iraqi Projects.
7. Debtors include a sum of Rs. 1922.56 lakhs (Net) (Previous year Rs.4836.41 lakhs – Net) outstanding in respect of Libyan projects which are recoverable from Libyan Government in respect of two projects which were completed prior to 1990 and dues against which are not forthcoming due to US sanctions. Efforts are being made to realise the dues through diplomatic channels.
8. Security Deposit amounting to Rs. 341.10 lakhs (previous year Rs.875.99 lakhs) is outstanding in respect of Libyan projects which is recoverable from Libyan Government in respect of two projects which were completed prior to 1990 and amount thereof is not forthcoming due to US sanctions. Efforts are being made to realise the dues through diplomatic channels.
9. Current liabilities include Rs. 3426.84 lakhs (previous year Rs. 3426.84 lakhs) received from MOUD 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, the same are pending reconciliation/clearance.
10. In respect of closed units be it domestic or foreign the reconciliation of balances of such unit is in progress. The effect if any of such balances on the profit / loss of the Corporation is not ascertainable.
11. Debtors, Creditors and Loans & Advances are subject to confirmation and reconciliation.
12. Unclaimed liabilities and other credit balances outstanding since previous years amounting to Rs. 959.39 lakhs (previous year Rs. 430.40 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.



13. The assets (other than fixed assets) and liabilities pertaining to Libyan & Iraqi Projects till 31st March, 2006 were stated at buying rates prevailing as on 31.03.2001. The same have been converted into Indian currency at the closing buying rates prevailing as on 31.03.2007. The financial impact of the same is a net exchange loss aggregating to Rs. 4235.00 lakhs. However the fixed assets included in Gross Block have been stated at the buying rate prevailed as on 31.03.2001.
14. Arbitration awards are accounted for on the basis of Rule of Court.
15. The statutory dues are deposited regularly with the appropriate authorities as stipulated under the Statutory Act.
16. 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 crores. 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 on 31.03.2007. The reserves for redemption on these shares has been created.
17. During the year 2006-07 the company revised the Accounting Policy for recognizing the expenditure on preparatory works such as soil investigation, survey and consultancy where physical execution of work has not yet started in the year of its incurrence. The same were treated as Deferred Revenue Expenditure upto the previous financial year 2005-06. This change was adopted in pursuant to AS-26 issued by ICAI. The financial impact for current financial year is Rs. 360.79 lakhs.
18. During the year 2006-07, the company revised the accounting policy for recognizing the expenditure pertaining to the projects where work has not yet started in the year of its incurrence though the same was accounted for as work in progress upto the previous financial year 2005-06. The financial impact of same is Rs. 146.46 lakhs.
19. The expenditure charged to Profit & Loss has been worked out on the basis of Standard Costing Method in respect of Real Estate Projects.
20. 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:-



A) List of related parties with whom transactions have taken place and relationships:-

a) Joint Ventures:-

- i) Jamal NBCC International(Proprietary) Limited
- ii) IJM – NBCC - VRM
- iii) AMC - NBCC

b) Key Managerial Personnel:-

- i) Mr. Arup Roy Choudhury, CMD
- ii) Mr. V.P. Das, Director(Projects) w.e.f. 30.08.2006
- iii) Mr. B.L. Bajaj, Director(Finance) upto 31.08.2006

B) The following transactions were carried out with the related parties in the ordinary course of business.

| | (Rs. in lakhs) | |
|----------------------|----------------|-----------|
| | 2006-2007 | 2005-2006 |
| Joint Venture | | |
| Dividend Income | 3.47 | -- |

| | (Rs. in lakhs) | |
|--|----------------|-----------|
| | 2006-2007 | 2005-2006 |
| Key Managerial Personnel | | |
| (i) Salary | 11.87 | 13.92 |
| (ii) Provident Fund Contribution | 1.37 | 1.63 |
| (iii) Rent Residence(Net of Recovery) | 4.77 | 5.60 |
| (iv) Medical Expenses | 0.08 | 0.19 |
| (v) Leave Travel Concession | -- | 1.66 |
| (vi) Leave Encashment (on actuarial basis) | 1.11 | 1.33 |
| (vii) Gratuity (on actuarial basis) | 0.48 | 0.54 |
| | ----- | ----- |
| | 19.68 | 24.87 |
| | ===== | ===== |



21. The details of Deferred Tax Assets/Liability provided in the accounts which are considered capable of reversal in one or more subsequent years is given as under:-

| Description | (Rs. in lakhs) | | |
|---|---|--|--|
| | Deferred Tax Assets/ (liabilities) As at 01.04.2006 | Current Deferred Tax Assets/ (liabilities) 2006-07 | Total Deferred Tax Assets/ (liabilities) As at 31.03.2007* |
| <u>DEFERRED TAX ASSETS</u> | | | |
| Provision for Retirement benefits | 379.33 | 39.40 | 418.73 |
| Provision for Doubtful debts & advances and others | 189.93 | (54.17) | 135.76 |
| Amount paid under Voluntary Retirement Scheme | 30.80 | 1.30 | 32.10 |
| Total (a) | ----- 600.06 ===== | ----- (13.47) ===== | ----- 586.59 ===== |
| <u>DEFERRED TAX LIABILITY</u> | | | |
| Difference between depreciation as per books and depreciation as per Income Tax Act | 98.21 | (4.48) | 93.73 |
| Total (b) | ----- 98.21 ===== | ----- (4.48) ===== | ----- 93.73 ===== |
| DEFERRED TAX ASSETS / (LIABILITIES) (NET) Total(a-b) | ----- 501.85 ===== | ----- (8.99) ===== | ----- 492.86 ===== |

* As a matter of prudence Deferred Tax Asset / (Liability) has been calculated at 30% of actual Deferred Tax Asset / (Liability)



22. 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:-

| | (Rs. in lakhs) | | |
|--|--|--|--|
| | (1) | (2) | (3) |
| i) Name of the Jointly Controlled entities | Jamal NBCC International (Proprietary) Limited | IJM-NBCC-VRM | AMC - NBCC |
| ii) Investments | 3.40 | 15.00 | 3.91 |
| iii) Percentage of ownership interest | 49% | 30% | 80.16% |
| iv) Country of Incorporation | Botswana, South Africa | New Delhi, India | Agartala, 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. | Development of hotel-cum commercial complex at Jackson Gate, Agartala. |
| vi) Based on | | | |
| a) Total Assets | -- | -- | -- |
| b) Total liabilities | -- | -- | -- |
| c) Total Income | -- | -- | -- |
| d) Total Expenditure | -- | -- | -- |
| e) Contingent Liabilities | -- | -- | -- |
| f) Capital commitment | -- | -- | -- |

- Note:**
- 1) The accounts for 2006-07 have not yet been finalized hence not incorporated. Investment has been accounted for on payment basis.
 - 2) The financial results of Joint Venture IJM - NBCC - VRM and AMC-NBCC have not been received hence not incorporated.



23. **CASH FLOW STATEMENT (Indirect Method)**
for the year ended 31st March, 2007

(Rs. in lakhs)

| | 2006-07 | 2005-06 |
|--|------------------|------------------|
| A. Cash flows from operating activities | | |
| Net profit before tax | 12434.61 | 3967.31 |
| Adjustment for: | | |
| Depreciation | 90.66 | 66.16 |
| (Profit)/Loss on sale of assets(net) | (36.72) | (2129.67) |
| Interest received | (4843.29) | (3593.88) |
| Rent | (1.53) | (129.20) |
| Dividend received | (3.47) | -- |
| Interest expense | 212.85 | 788.45 |
| | ----- | ----- |
| Operating Profit before working capital changes | 7853.11 | (1030.83) |
| Adjustment for: | | |
| Inventories | 178.34 | (250.46) |
| Work-in-Progress | (3596.20) | (3107.76) |
| Sundry Debtors | (566.47) | (9496.71) |
| Loans & Advances | 707.44 | (2446.62) |
| Other Current Assets | (386.73) | (646.96) |
| Current Liabilities | 9540.88 | 30047.94 |
| Provisions | (1056.79) | 118.80 |
| Miscellaneous Expenditure | 25.03 | 57.02 |
| | ----- | ----- |
| Cash generated from Operations | 12698.61 | 13244.42 |
| Direct Taxes paid | (4243.81) | (1054.12) |
| Gratuity and Leave Encashment | 349.94 | 467.79 |
| (Net increase) | ----- | ----- |
| Net cash from operating activities (A) | 8804.74 | 12658.09 |
| B. Cash flows from investing activities: | | |
| Purchase of Fixed Assets | (69.30) | (193.42) |
| Sale of Fixed Assets | 82.29 | 2300.25 |
| Interest received | 4843.29 | 3593.88 |
| Rent | 1.53 | 129.20 |
| Dividend received | 3.47 | -- |
| Investments | (7.31) | -- |
| | ----- | ----- |
| Net cash from investing activities (B) | 4853.97 | 5829.91 |
| C. Cash flows from financing activities: | | |
| Proceeds from issue of equity shares | -- | -- |
| Increase/(Decrease) of National | | |
| Renewal Fund | -- | -- |
| Increase/(Repayment) of loans | (1200.00) | (4603.92) |
| Interest Paid | (212.85) | (788.45) |
| | ----- | ----- |
| Net cash from financing activities (C) | (1412.85) | (5392.37) |
| | ----- | ----- |
| Net increase in cash and cash equivalents | 12245.86 | 13095.63 |
| (A) + (B) + (C) | ===== | ===== |
| Cash and cash equivalents – Opening | 62895.54 | 49799.91 |
| Cash and cash equivalents – Closing | 75141.40 | 62895.54 |



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 lakhs)

| | |
|---|-----------------|
| a) Cash/Stamps in hand | 2.91 |
| b) Remittance in transit/Cheques in hand | 2283.24 |
| c) Balances/FDRs/Call Deposits with Banks | 72855.25 |
| | ----- |
| | 75141.40 |
| | ===== |

- ii) Cash and cash equivalents at the end of 31.03.2007 include deposits with Banks amounting to Rs. 0.26 lakh which are not freely remissible to the Company.
- iii) 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.
- iv) Figures in brackets indicate cash outgo.



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

PRIMARY SEGMENT DISCLOSURE:

(Rs. in lakhs)

| | Real Estate | | Infrastructure | | Civil Construction | | Total | |
|--|-------------|---------------|----------------|----------------|--------------------|--------------|-----------|-----------|
| | 2006-2007 | 2005-2006 | 2006-2007 | 2005-2006 | 2006-2007 | 2005-2006 | 2006-2007 | 2005-2006 |
| Revenue from External Customers | 15372.58 | 4447.75 | 10877.80 | 14132.50 | 119744.54 | 105118.87 | 145994.92 | 123699.12 |
| Inter Segment Revenue | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Revenue | 15372.58 | 4447.75 | 10877.80 | 14132.50 | 119744.54 | 105118.87 | 145994.92 | 123699.12 |
| Segment Result: | 7297.01 | 268.96 | 65.74 | 1287.46 | 3133.10 | 1392.21 | 10495.85 | 2948.63 |
| Unallocated Corporate Expenses | | | | | | | (2460.96) | (1558.10) |
| Operating Profit | | | | | | | 8034.89 | 1390.53 |
| Interest Expenses | | | | | | | (192.79) | (662.89) |
| Interest Income | | | | | | | 4592.51 | 3235.34 |
| Income Taxes:- | | | | | | | | |
| Provision for current year | | | | | | | (4296.08) | (972.33) |
| Provisions for Income Tax In Previous Years | | | | | | | (19.91) | (60.81) |
| Provision for F.B.T. | | | | | | | (21.82) | (20.00) |
| Deferred Tax Credit | | | | | | | (8.99) | (106.38) |
| Net Profit | | | | | | | 8087.81 | 2803.46 |
| Segment Assets | 21617.76 | 11257.50 | 8069.01 | 7166.59 | 64595.77 | 72565.70 | 94282.54 | 90989.79 |
| Unallocated Corporate Assets | | | | | | | 76289.51 | 59497.58 |
| Total Assets | | | | | | | 170572.05 | 150487.37 |
| Segment Liabilities | 12500.30 | 2622.93 | 6557.74 | 5425.23 | 116796.89 | 118456.44 | 135854.93 | 126504.60 |
| Unallocated Corporation Liabilities | | | | | | | 19272.39 | 16650.88 |
| Total Liabilities | | | | | | | 155127.32 | 143155.48 |
| Capital Expenditure | -- | -- | 33.99 | 144.20 | 6.22 | 14.99 | | |
| Depreciation | 0.76 | 3.57 | 214.83 | 382.09 | 78.24 | 63.84 | 293.83 | 449.50 |
| Non-cash expenditure other than Depreciation | -- | -- | 25.66 | 5.67 | 1477.72 | 5971.43 | | |
| SECONDARY SEGMENT DISCLOSURE: | | | | | | | | |
| | | INLAND | | FOREIGN | | TOTAL | | |
| Revenue from External Customers | 145994.92 | 123676.54 | -- | 22.58 | 145994.92 | 123699.12 | | |
| Segment Assets | 159907.26 | 74424.80 | 10664.79 | 16564.99 | 170572.05 | 90989.79 | | |
| Capital Expenditure | 6.22 | 14.99 | -- | -- | 40.21 | 159.19 | | |

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



| | | |
|-----|--|----------------|
| 25. | 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 lakhs) |

| Stock | 31.03.2007 | | 31.03.2006 | |
|---------------|------------|--------|------------|--------|
| | Quantity | Amount | Quantity | Amount |
| Opening stock | Nil | Nil | Nil | Nil |
| Closing Stock | Nil | Nil | Nil | Nil |

B) Consumption of Raw Materials, Spare parts & Components (Rs. in lakhs)

| | 2006-2007 | | 2005-2006 | |
|--------------------------------------|-----------|--------|-----------|--------|
| | Amount | %age | Amount | %age |
| (i) Indigenous | | | | |
| (a) Raw Materials | 1505.60 | | 1446.18 | |
| (b) Spare Parts & Components | -- | | -- | |
| | ----- | | ----- | |
| | 1505.60 | 100.00 | 1446.18 | 99.64 |
| (ii) Imported | | | | |
| (a) Raw Materials | -- | | 4.36 | |
| (b) Spare parts & components | -- | | 0.81 | |
| | ----- | | ----- | |
| | -- | -- | 5.17 | 0.36 |
| | ----- | | ----- | |
| (iii) Consumption in Foreign Project | | | | |
| (a) Raw Materials | -- | | -- | |
| (b) Spare Parts & Components | -- | | -- | |
| | ----- | | ----- | |
| | -- | -- | -- | -- |
| | ----- | | ----- | |
| | 1505.60 | 100.00 | 1451.35 | 100.00 |
| | ===== | ===== | ===== | ===== |

| | | 2006-2007 | 2005-2006 |
|----|--|-----------|-----------|
| C) | CIF Value of Imports during the year | | |
| | (i) Raw Material | 101.11 | 154.44 |
| | (ii) Spare parts | -- | 23.80 |
| D) | Expenditure in Foreign currency | | |
| | (i) Consultancy | -- | -- |
| | (ii) Interest | -- | -- |
| | (iii) Travelling | 28.46 | 5.61 |
| | (iv) Technical knowhow | -- | -- |
| | (v) Other Matters | 200.24 | 3975.25 |
| | (Construction activities) | | |
| E) | Earnings in Foreign Currency | | |
| | (i) Interest | 3.28 | 2.42 |
| | (ii) Other Income(Construction Activities) | 224.71 | 1204.34 |



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

(Rs. in lakhs)

| | 2006-2007 | 2005-2006 |
|--|------------------|-----------|
| (i) Audit fee | 3.65 | 3.65 |
| (ii) Fee for Tax Audit | 1.12 | 0.79 |
| (iii) Out of pocket expenses. | 2.00 | 3.00 |
| | ----- | ----- |
| | 6.77 | 7.44 |
| | ===== | ===== |
| 27. The remuneration of Directors including Chairman-cum-Managing Directors included in various schedules to the Profit & Loss Account is as under:- | | |
| i. Salary | 11.87 | 13.92 |
| ii. Provident Fund Contribution | 1.37 | 1.63 |
| iii. Rent Residence(Net of Recovery) | 4.77 | 5.60 |
| iv. Medical Expenses | 0.08 | 0.19 |
| v. Leave Travel Concession | -- | 1.66 |
| vi. Leave Encashment (on actuarial basis) | 1.11 | 1.33 |
| vii. Gratuity (on actuarial basis) | 0.48 | 0.54 |
| | ----- | ----- |
| | 19.68 | 24.87 |
| | ===== | ===== |

28. 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.



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

| | | | | | |
|------|--|--------------|----------------------|---|-----------|
| I. | Registration Details: | | | | |
| | Registration No. | - 003335 | State Code | - | 55 |
| | Balance Sheet Date | - 31.03.2007 | | | |
| II. | Capital Raised during the year (Amount Rs. In lakhs): | | | | |
| | Public Issue | - Nil | Right Issue | - | Nil |
| | Bonus Issue | - Nil | Private placement | - | Nil |
| III. | Position of Mobilisation and Deployment of Funds (Amount Rs. In lakhs) | | | | |
| | Total Liabilities | - 21922.06 | Total Assets* | - | 21922.06 |
| | Paid up Capital | - 12000.00 | Reserves and Surplus | - | 3208.49 |
| | Secured Loans | - Nil | Unsecured Loans | - | 6713.57 |
| | Application of Funds | | | | |
| | Net Fixed Assets | - 1240.79 | Investments | - | 22.31 |
| | Deferred Tax Assets | - 492.86 | | | |
| | Net Current Assets | - 20156.34 | Misc. Expenditure | - | 9.76 |
| | Accumulated Losses | -- | | | |
| IV. | Performance of Company (Amount Rs. in lakhs): | | | | |
| | Turnover | - 151430.79 | Total Expenditure | - | 138996.18 |
| | Profit Before Tax | - 12434.61 | Profit after tax | - | 8087.81 |
| | Earning per share In Rs. | - 898.65 | Dividend | - | 300.00 |

* Net of Current Liabilities & Provisions.

| | | | | | |
|----|--|-------------------------|--|--|--|
| V. | Generic Names of three principal Products/Services of Company (as per monetary Terms): | | | | |
| | Item Code No. (ITC Code) | - Not Applicable | | | |
| | Product Description | - CONSTRUCTION ACTIVITY | | | |
| | Item Code No. (ITC Code) | - Not Applicable | | | |



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

30. Minus figures have been shown in brackets.
31. Previous years figures have been regrouped/recast/rearranged wherever deemed necessary in order to make them comparable to the presentation adopted for the year under report.

Signatories to Schedule '1' to '24'

(AJAY K GARG)
Director(Finance)

(V.P. DAS)
Director(Projects)

(ARUP ROY CHOUDHURY)
Chairman-cum-Managing Director

(A.K. SINGH)
Company Secretary

(R.K. TREHAN)
General Manager(Fin)

(S.K. KHURANA)
Group General Manager(Fin)

As per our report of even date

For Dinesh Mehta & Co.
Chartered Accountants

Place : New Delhi
Date :

(SANJEEV KWATRA)
Partner