

**NAGARJUNA CONSTRUCTION COMPANY**

**INTERNATIONAL L.L.C. - OMAN**

**FINANCIAL STATEMENTS**

**31 MARCH 2015**





Ref: 7836

Date: 10 May 2015

**REPORT OF THE AUDITORS  
TO THE SHAREHOLDERS OF  
NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**

We have audited the financial statements of NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN, which comprise the Balance Sheet as at 31 MARCH 2015 and the related Profit & Loss Account, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and explanatory notes set out on pages 2 to 14.

**Respective responsibilities of the Management and Auditors**

The accompanying financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

**Basis of opinion**

We conducted our Audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the Audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our Audit provides a reasonable basis for our opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and the other notes thereon give a true and fair view of the financial position as at 31 March 2015.

**For H. C. SHAH & CO.**

**CHARTERED ACCOUNTANTS.**



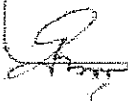


# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

BALANCE SHEET AS AT 31 MARCH 2015

	NOTE	31-03-2015 R.O.	31-03-2014 R.O.
<b>I. EQUITIES AND LIABILITIES</b>			
<b>MEMBERS' FUNDS</b>			
Share Capital		5,100,000	5,100,000
Legal Reserve		1,303,810	1,275,284
Retained Profit		11,615,261	11,468,890
		<u>18,019,071</u>	<u>17,844,154</u>
<b>NON CURRENT LIABILITIES</b>			
Long Term Loan - Bank of Baroda		--	269,511
Loan from Holding Co.		2,112,000	960,000
ICICI Bank - Machinery Term Loan		2,310,000	3,080,000
Staff Terminal Benefits Payable		948,419	857,182
		<u>5,370,419</u>	<u>5,166,693</u>
<b>CURRENT LIABILITIES</b>			
Accounts Payable & Accruals	2.	33,864,559	28,350,759
Bank Loans and Overdrafts	3.	14,710,388	13,053,593
Amounts Due to Related Parties		6,195,724	6,756,289
		<u>54,770,671</u>	<u>48,160,641</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>R.O.</b>	<b>78,160,161</b>	<b>71,171,488</b>
<b>II. ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant & Equipment	5.	14,931,963	19,189,788
Capital Work-in-progress		0	15,724
Investments	5.	225,574	225,574
		<u>15,157,537</u>	<u>19,431,086</u>
<b>CURRENT ASSETS</b>			
Inventory	7.	2,427,902	2,834,455
Work-in-Progress		10,387,856	4,907,407
Accounts Receivable	8.	30,209,190	33,289,789
Amount Due from Related Parties		7,352,360	7,276,713
Bank Balances and Cash	9.	12,625,316	3,432,038
		<u>63,002,624</u>	<u>51,740,402</u>
<b>TOTAL ASSETS</b>	<b>R.O.</b>	<b>78,160,161</b>	<b>71,171,488</b>

The notes on pages 5 to 14 form part of these financial statements



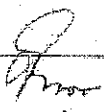


# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2015

	NOTE	31-03-2015 R.O.	31-03-2014 R.O.
TURNOVER	10.	44,164,081	55,587,162
COST OF TURNOVER	11.	(37,003,190)	(48,845,557)
GROSS PROFIT		7,160,891	6,741,605
PROFIT / (LOSS) ON DISPOSAL OF FIXED ASSETS		(536,374)	49,820
OTHER INCOME		29,323	62,357
		6,653,840	6,853,782
ADMINISTRATIVE AND GENERAL EXPENSES	12.	(551,894)	(419,944)
PROFIT BEFORE FINANCE CHARGES & DEPRECIATION		6,101,946	6,433,838
FINANCE CHARGES		(2,046,196)	(2,274,393)
PROFIT FOR THE YEAR BEFORE DEPRECIATION		4,055,750	4,159,445
DEPRECIATION		(3,770,294)	(2,504,593)
PROFIT FOR THE YEAR		285,456	1,654,852
PRIOR PERIOD ITEMS		—	181,523
NET PROFIT FOR THE YEAR		285,456	1,836,375
LESS: TRANSFER TO LEGAL RESERVE		(28,546)	(183,638)
RETAINED PROFIT FOR THE YEAR		256,910	1,652,737
RETAINED PROFIT BROUGHT FORWARD		11,468,890	9,816,153
LESS: ADJUSTMENT FOR P.Y. DEPRECIATION		(100,650)	—
RETAINED PROFIT CARRIED FORWARD	R.O.	11,625,150	11,468,890

The notes on pages 5 to 14 form part of these financial statements



# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2015

	Share Capital R.O.	Legal Reserve R.O.	Retained Profit R.O.	Total R.O.
<b>Year to 31 March 2014</b>				
At 31 March 2013	5,100,000	1,091,626	9,816,153	16,007,779
Net Profit for the year	--	--	1,836,375	1,836,375
Transferred to Legal Reserve	--	183,638	(183,638)	--
	-----	-----	-----	-----
<b>At 31 March 2014 R.O.</b>	<b>5,100,000</b>	<b>1,275,264</b>	<b>11,468,890</b>	<b>17,844,154</b>
	=====	=====	=====	=====
<b>Year to 31 March 2015</b>				
At 31 March 2014	5,100,000	1,275,264	11,468,890	17,844,154
Net Profit for the year	--	--	285,456	285,456
Income Tax	--	--	(9,889)	(9,889)
Adjustment for P Y Depreciaion	--	--	(100,650)	(100,650)
Transferred to Legal Reserve	--	28,546	(28,546)	--
	-----	-----	-----	-----
<b>At 31 March 2015 R.O.</b>	<b>5,100,000</b>	<b>1,303,810</b>	<b>11,615,261</b>	<b>18,019,071</b>
	=====	=====	=====	=====

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# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2015

	31-03-2015 R.O.	31-03-2014 R.O.
<b>1. Cash Flow from Operating Activities</b>		
a) Net Profit for the year	285,456	1,836,375
Add: Non - Cash charges - Depreciation	3,770,294	2,504,593
Less: Income Tax	(9,889)	—
Net Changes due to Operating Profit	4,045,861	4,340,968
b) Changes in Working Capital		
(Increase) / Decrease in Accounts Receivables	3,080,599	(983,383)
(Increase) / Decrease in Work-in-progress	(5,480,449)	(455,802)
(Increase) / Decrease in Inventories	406,553	702,385
Amount Due from Related Parties	(75,647)	(249,851)
(Decrease) / Increase in Accounts Payable & Accruals	5,513,800	(4,166,531)
Amount Due to Related Parties	(560,565)	(563,146)
Net Changes in Working Capital	2,884,291	(5,716,328)
Net Cash Flow (used in)/from Operating Activities (A)	1a - 1b 6,930,152	(1,375,360)
<b>2. Cash Flow from Investing Activities</b>		
a) Acquisition of Property, Plant & Equipment	(287,071)	(412,284)
b) Sale of Property, Plant & Equipment	673,952	86,450
c) Capital Work-in-progress	15,724	43,538
d) Investments	0	(52,234)
Net Cash (used in) / from Investing Activities (B)	2a - 2d 402,605	(334,530)
<b>3. Cash Flow from Financing Activities</b>		
a) Long Term Loan - Standard Chartered Bank	0	0
b) Long Term Loan - Bank of Baroda	(269,511)	(676,924)
c) Loan from Holding Company	1,152,000	0
d) ICICI Bank - Machinery - Term Loan	(770,000)	3,080,000
e) Staff Terminal Benefits	91,237	55,950
Net Cash (used in) / from Financing Activities (C)	3a - 3f 203,726	2,459,026
<b>Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)</b>	7,536,483	749,136
<b>Cash and Cash equivalents at the beginning of the year</b>	(9,621,555)	(10,370,691)
<b>Cash and Cash equivalents at the end of the year</b>	R.O. (2,085,072)	(9,621,555)
<b>COMPRISING OF:</b>		
1. Cash Balances	58,185	16,956
2. Bank Balances	12,567,131	3,415,082
3. Bank Loans and Overdrafts	(14,710,388)	(13,053,593)
	R.O. (2,085,072)	(9,621,555)
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**NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**

**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015**

**1a. GENERAL**

Nagarjuna Construction Co. International L.L.C. - Oman is a Limited Liability Company with 100% Foreign ownership with CR No. 1011686 registered under the Commercial Laws of the Sultanate of Oman. The Company is engaged in Building Installation Contracts, Water, Electricity & Telephone Network & Stations, Construction Contracts, Tunnels, Construction & Maintenance of Seaports, Electrical & Mechanical & Sewerage Systems Construction, Road Construction & Hiring out of Equipments.

**1b. ACCOUNTING POLICIES:**

The financial statements have been prepared on accrual basis under historical cost convention and in accordance with generally accepted accounted principles in India and the provisions of the Companies Act, 1956 and the applicable requirements of the Oman Commercial Companies Law. The principal accounting policies are summarised below:

**(1) PROPERTY, PLANT AND EQUIPMENT:**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged on a Striaight Line Basis to the income statement and the rate of Depreciation charged is as follows:

Plant and Machinery (Except Cranes)	9 to 12 years
Plant and Machinery (Cranes)	15 to 20 years
Construction Vehicles	8 to 9 years
Construction Accessories	6 years
Tools & Equipment	12 Years
Vehicles - Office	8 years
Furniture & Fixtures	10 years
Office Equipment	3 to 6 years

"The Company has adopted the useful lives of Fixed Assets as specified in Part C of Schedule II of the Companies Act , 2013 (Schedule II) effective April 2014. Consequently the depreciation and amortization expenses for the year ended 31 March 2015 was higher by R.O. 2,281,291/-. The carrying value of of the assets whose useful life has expired as at April 1, 2014 aggregating to R.O. 100,650/- has been adjusted against the reserves".

Particulars	R.O.
Depreciation as per Companies Act, 2013	3,770,294
Depreciation as per old Method	1,489,003
Higher Depreciation Charge for the year	2,281,291

**(2) INVENTORIES:**

Inventories are valued at the lower of cost and net realisable value with due allowance for slow-moving items. Cost is determined on the weighted average cost basis and includes expenditure incurred in acquiring inventory and bringing them to their existing location and condition. Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation.

**(3) CAPITAL WORK-IN-PROGRESS:**

Expenses for procurement of Equipments and Machinery were booked under Capital Work-In-Progress. The procurement is completed during the year 2014-15. Upon completion, the Capital Work-In-Progress have been transferred to its various heads of accounts.

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## NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

### NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)

(4) WORK IN PROGRESS:

Work in Progress includes expenses incurred on projects for which no billing has been made. Amount certified by the Consultant as on 31 March 2015 includes only completed work but Work-in-progress pertains to work which is incomplete and hence not certified by the Consultant.

(5) ACCOUNTS RECEIVABLE:

Accounts receivable are stated at original invoice amounts less a provision for any uncollectible amounts. An estimation for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

(6) IMPAIRMENT

The carrying amounts of the Company's assets, other than stocks are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount.

(7) ACCOUNTS PAYABLE AND ACCRUALS:

Liabilities are recognised for amounts to be paid for goods and services rendered during the year ended 31 March 2015, whether or not billed to the company. Provisions are recognised when the company has an obligation arising from past events, and the cost to settle the obligation are both probable and able to be reliably measured.

(8) BANK BORROWINGS:

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

- a. First Exclusive Charge on Fixed Assets of value OMR 4,400,080/- only
- b. Assignment of Project Receivables.
- c. Corporate Guarantees from NCC Ltd. India, to the extent of OMR 7.139 Million.

**Bank Muscat borrowings are secured either / and - or as:**

- a. Counter Guarantee from ICICI Bank Ltd.
- b. Corporate Guarantees from NCC Ltd. India, to the extent of OMR 7.656 millions.
- c. Lien on Fixed Deposit of R.O. 1.54 million held with the Bank.

**State Bank of India are secured either / and - or as:**

- a. Assignment of Project Receivables.
- b. Corporate Guarantees from NCC Ltd. India, to the extent of OMR 7.45 million.

**ICICI Bank Bahrain are secured either / and - or as:**

- a. Assignment of Project Receivables.
- b. Corporate Guarantees from NCC Ltd. India, to the extent of USD 44 Million.
- c. Corporate Guarantees from NCC Ltd. India, to the extent of USD 8.8 Million against Term Loan.
- d. Corporate Guarantees from NCC Ltd. India, to the extent of USD 6.6 Million against Working Capital Facility for Qatar Projects.

**Bank Dhofar borrowings are secured either / and - or as:**

- a. Assignment of Project Receivables.
- b. Corporate Guarantees from NCC Ltd. India, to the extent of OMR 39.45 Million.

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# **NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**

## **NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)**

### **(9) BORROWING COSTS:**

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset. All other borrowing costs are charged to revenue.

### **(10) END OF SERVICE BENEFITS AND LEAVE ENTITLEMENTS:**

Contributions to defined contribution retirement plan, for Omani employees in accordance with Oman Social Insurance Scheme, are recognised as expense in the profit and loss account as incurred. Provision for non - Omani employee end of service benefit is accrued in accordance with the terms of employment of the company's employees at the balance sheet date, having regard to the requirement of the Oman Labour Law 1973. Employee entitlements to annual leave are recognised when they accrue to employees and an accrual is made for the estimated liability for the annual leave as result of services by employees upto the balance sheet date.

### **(11) RELATED PARTY TRANSACTIONS:**

The Company has entered into transactions with entities over which certain Directors are able to exercise significant influence. In the ordinary course of business, such related parties provide goods and render services to the Company. The Company believes that the terms of purchases, and provision of services are comparable with those that could be obtained from third parties.

### **(12) RISK MANAGEMENT:**

The Company has exposure to credit risk, liquidity risk and market risk in its normal course of business.

- a. Credit risk: Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial contract fails to meet the contractual obligations. The exposure to credit risk is monitored on an ongoing basis by the management and these amounts are considered recoverable by the Company's management.
- b. Liquidity risk: Liquidity risk is the risk that the Company can default in meeting the obligations associated with its financial liabilities. The Company assures that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
- c. Market risk: Market risk is the risk that changes in market prices, such as foreign currency & interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

### **(13) FOREIGN CURRENCY:**

Foreign currency transactions are translated into Rials Omani at the exchange rates prevailing on the transaction date. Foreign currency assets and liabilities are translated into Rials Omani at the exchange rates prevailing at the financial position date. Differences on exchange are dealt with in the statement of comprehensive income as they arise.

**NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN****NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)****(14) INCOME TAX:**

The Company's assessments for the tax years ending 31 March 2010 to 2014 have not yet been finalised with the Department of Taxation Affairs at the Ministry of Finance. The Company believes that additional taxes, if any, in respect of open tax assessments would not be material to the its financial position.

**(15) LEGAL RESERVE:**

Article 106 of the Commercial Companies Law of 1974 requires that 10% of a Company's Net Profit be transferred to a non-distributable legal reserve until the amount of the legal reserve equals one-third of the Company's issued share capital.

**(16) QATAR OPERATIONS**

During the previous year the Company has opened a Branch Office in Qatar and has also bagged a JV Project in Qatar. The Operating results of the Branch & the JV have been incorporated in the Financial Statements.

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**NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**

**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)**

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# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)

### 4. FIXED ASSETS

	PLANT & MACH- INERY R.O.	CONST- RUCTION VEHICLES R.O.	CONST- RUCTION ACCESS- ORIES R.O.	TOOLS & EQUIP- MENT R.O.	VEHI- CLES OFFICE R.O.	FURN- ITURE & FIX- TURES R.O.	OFFICE EQUIP- MENT R.O.
<b>COST :</b>							
At 31 March 2014	17,321,693	7,628,686	4,159,251	408,878	1,737,926	151,180	842,108
Additions during the year	57,249	8,621	82,967	13,702	16,023	25,553	82,956
Cost of Disposals	(688,188)	(240,991)	(161,573)	(3,304)	(142,375)	(2,782)	(2,529)
At 31 March 2015	16,690,754	7,396,316	4,080,645	419,276	1,611,574	173,951	922,535
<b>DEPRECIATION:</b>							
At 31 March 2014	4,288,589	4,535,333	3,190,133	75,389	628,507	66,156	275,827
Charge for the year	2,042,276	951,787	193,169	38,787	252,927	14,130	277,218
Adjustment for P.Y.	—	—	—	—	—	—	100,650
Related to Disposals	(205,755)	(153,103)	(147,860)	(488)	(60,472)	—	(112)
At 31 March 2015	6,125,110	5,334,017	3,235,442	113,688	820,962	80,286	653,583
<b>NET BOOK VALUE</b>							
AT 31 MARCH 2015 R.O.	10,565,644	2,062,299	845,203	305,588	790,612	93,665	268,952
AT 31 MARCH 2014 R.O.	13,033,104	3,093,353	969,118	333,489	1,109,419	85,024	566,281

31-03-2015  
R.O.

31-03-2014  
R.O.

### 5. INVESTMENTS

49% Investment in NCCA International Kuwait Co., Kuwait	173,340	173,340
49% Investment in NCC WLL - Qatar	52,234	52,234
R.O.	225,574	225,574

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# **NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN**

## **NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)**

	31-03-2015 R.O.	31-03-2014 R.O.
<b>2. ACCOUNTS PAYABLE &amp; ACCRUALS</b>		
Sundry Creditors for Purchases	2,303,484	2,507,328
Sundry Creditors for Expenses	5,825,804	6,312,541
Sundry Creditors for Fixed Assets	52,825	37,876
Retention Money - Sub Contractors	1,872,327	1,767,315
Mobilisation Advances	16,778,302	5,669,690
Material Advances Received from Clients	1,740,635	3,392,594
Accrued Expenses	3,792,053	3,920,967
Deposits Received	23,183	23,183
Acceptance - Letters of Credit - Bank Muscat	115,668	214,292
Acceptance - Letters of Credit - ICICI Bank	242,323	1,880,735
Acceptance - Letters of Credit - State Bank of India	---	2,634,238
Acceptance - Letters of Credit - Bank Dhofar	1,117,955	---
<b>R.O.</b>	<b>33,864,559</b>	<b>28,350,759</b>
<b>3. BANK LOANS AND OVERDRAFTS</b>		
ICICI Bank - Working Capital - Demand Loan	3,430,350	5,001,970
State Bank of India - Working Capital - Demand Loan	---	2,711,763
Bank Muscat - Overdrafts	1,582,670	256,691
Bank of Baroda - Overdrafts	3,812,134	3,841,567
ICICI Bank - LTR	2,593,776	1,241,602
Bank Dhofar - Bill Discounted	1,652,728	---
Bank Dhofar - LTR	1,638,730	---
<b>R.O.</b>	<b>14,710,388</b>	<b>13,053,593</b>
<b>7. INVENTORY</b>		
Materials	1,767,615	2,160,339
Consumables	642,524	653,860
Small Tools & Equipment	17,763	20,256
<b>R.O.</b>	<b>2,427,902</b>	<b>2,834,455</b>

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# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)

	31-03-2015 R.O.	31-03-2014 R.O.
<b>8. ACCOUNTS RECEIVABLE</b>		
Trade Debtors	11,644,104	14,510,092
Retentions Receivable	13,269,590	15,013,096
Withheld by Client	738,722	628,626
Staff Advances	119,281	119,503
Advances to Suppliers	47,042	31,721
Advances to Sub Contractors	2,354,137	2,037,211
Prepaid Expenses	837,115	469,500
Other Deposits & Advances	1,172,949	453,790
Income Tax	65,000	65,000
	<u>30,247,940</u>	<u>33,328,539</u>
Less: Provision for Doubtful Debts	(38,750)	(38,750)
	<u>R.O. 30,209,190</u>	<u>33,289,789</u>
<b>9. BANK BALANCES AND CASH</b>		
Bank Muscat - Current Accounts	107,897	128,693
State Bank of India - Current Accounts	1,712	103,099
Bank of Baroda - Current Accounts	21	3,810
Emirates Islamic Bank	5,314	4,171
Commercial Bank of Qatar	135,505	1,023,301
Bank of Baroda - Margin Accounts	6,877	6,877
State Bank of India - Margin Accounts	745,000	---
Bank of Baroda - Term Deposits	481,385	474,173
ICICI Bank - Fixed Deposits	39,867	38,500
Bank Muscat - Fixed Deposits	3,020,335	1,616,454
Bank Dhofar - Term Deposits	161,854	---
Standard Chartered Bank	3,058	527
ICICI Bank - Current Accounts	25,307	5,706
Ahli Bank	4,094	5,002
Bank Dhofar - Current Account	2,424,949	---
Malsarah Bank	5,000,000	---
Oman Arab Bank	403,956	4,766
Cash on Hand	58,185	16,956
	<u>R.O. 12,625,316</u>	<u>3,432,038</u>

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# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)

	31-03-2015 R.O.	31-03-2014 R.O.
<b>10. TURNOVER</b>		
Contract Revenue	43,559,442	54,873,271
Hire Charges	119,070	120,736
Other Operating Income	407,108	398,078
Miscellaneous Receipts	78,461	195,077
	<b>R.O.</b>	
	<b>44,164,081</b>	<b>55,587,162</b>
<b>11. COST OF TURNOVER</b>		
Materials	9,493,429	15,150,952
Salaries & Benefits	8,175,484	10,664,684
Rent	152,396	213,828
Sub-Contract Expenses	9,445,799	11,884,675
Consumable Tools	933,907	716,977
Telephone, Fax & Postage	71,231	85,020
Electricity and Water	322,233	371,475
Visa, Immigration and Labour Tax	248,486	404,690
Travelling and Conveyance	206,869	332,779
Recruitment Expenses	2,877	10,003
Testing Charges	100,438	20,519
Vehicle Expenses	289,364	308,344
Hire Charges	2,974,658	3,739,230
Insurance	380,359	526,724
Printing and Stationery	42,226	41,789
Repairs & Maintenance	2,736,750	3,220,164
Consultancy Charges	511,669	532,937
Lease Charges	52,461	24,217
Transport Charges	85,783	41,773
Customs Duty	1,182	1,595
Sewage Removal Expenses	63,299	122,454
Royalties	23,876	65,104
Bad Debts	11,055	38,750
Miscellaneous	577,359	326,874
	<b>R.O.</b>	
	<b>37,003,190</b>	<b>48,845,557</b>

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# NAGARJUNA CONSTRUCTION COMPANY INTERNATIONAL L.L.C. - OMAN

## NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2015 (CONTD.)

	31-03-2015 R.O.	31-03-2014 R.O.
<b>12. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
Salaries & Benefits	194,482	157,563
Rent	15,484	13,113
Telephone, Fax & Postage	5,091	7,511
Printing and Stationery	1,484	3,087
Electricity and Water	387	1,023
Advertisement & Sales Promotion	13,742	6,302
Vehicle Expenses	1,926	4,064
Travelling & Conveyance	25,949	39,796
Visa, Immigration and Labour Tax	2,324	4,491
Insurance Expenses	0	56
Repairs & Maintenance	64,462	34,645
Establishment Expenses	13,145	13,935
Legal & Professional Fees	149,586	63,991
Rates and Taxes	2,682	16,466
Recruitment Expenses	759	0
Tender Expenses	26,430	47,020
Books and Periodicals	328	146
Miscellaneous	33,633	6,736
	<b>R.O. 551,894</b>	<b>419,944</b>

## 13. PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped wherever necessary to conform to current year's presentation.

