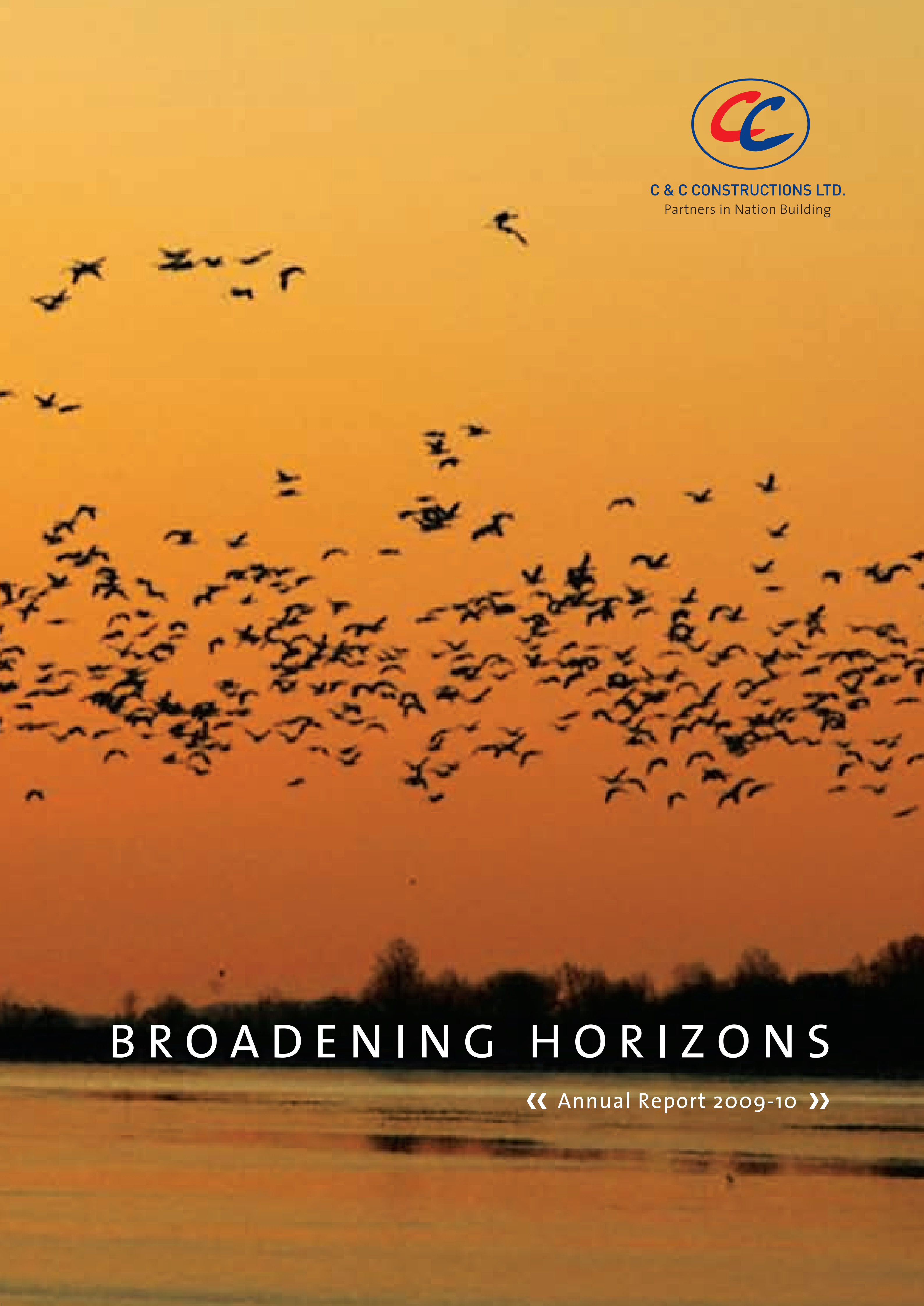
C & C CONSTRUCTIONS LTD.
Partners in Nation Building



BROADENING HORIZONS

« Annual Report 2009-10 »

Date of Annual General Meeting: 29th October, 2010
Venue: Air Force Auditorium, Subroto Park, New Delhi-110 010
Time: 10.00 AM

What's inside?

Disclaimer

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

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

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

Corporate information

BOARD OF DIRECTORS

Promoter and Executive Directors

Mr. Gurjeet Singh Johar, Chairman
Mr. Charanbir Singh Sethi, Managing Director
Mr. Rajbir Singh
Mr. Sanjay Gupta
Mr. Amrit Pal Singh Chadha

Non-Promoter and Executive Director

Mr. Rajendra Mohan Aggarwal

Independent Directors

Mr. Deepak Dasgupta
Mr. Anand Bordia
Mr. Ramesh Chandra Rekhi
Mr. Tarlochan Singh
Lt. Gen. Harbans Singh Kanwar (Retd.)

Nominee Director of India Venture Trust

Mr. Arun Kumar Purwar

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Mr. Deepak Nathani

AUDITORS

ASG & Associates
Chartered Accountants
74, Hemkunt Colony
New Delhi-110048

BANKERS

State Bank of India, New Delhi
State Bank of Patiala, New Delhi
State Bank of Hyderabad, New Delhi
Standard Chartered Bank, New Delhi
Indusind Bank, New Delhi
ICICI Bank, New Delhi
Barclays Bank, New Delhi
DBS Bank Ltd., New Delhi
The Hong Kong and Shanghai Banking Corporation Ltd. New Delhi
Axis Bank Ltd., Gurgaon
IDBI Bank Ltd., New Delhi
ING Vysya Bank, New Delhi
Oriental Bank of Commerce, Gurgaon

CORPORATE OFFICE

Plot No. 70, Sector 32
Gurgaon 122001, Haryana, India
Phone: +91 124 4536666, Fax: +91 124 4536799
E-mail: candc@candcinfrastructure.com
Website: www.candcinfrastructure.com

REGISTERED OFFICE

G-11, Hemkunt Chamber, Nehru Place
New Delhi - 110019

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate
Sakivihar Road, Saki Naka, Andheri (East)
Mumbai – 400 072
Tel: +91 22 40430200
Fax: +91 22 28475207
E-mail: info@bigshareonline.com
Website: www.bigshareonline.com

Strength of our numbers

- From an order book of **Rs. 617.90** cr in 2005-06 to **Rs. 2,612.90 cr** in 2009-10.
- From a turnover of **Rs. 211.73 cr** in 2005-06 to **Rs. 1,168.45 cr** in 2009-10.
- From a cash profit of **Rs. 45.78 cr** in 2005-06 to **Rs. 113.87 cr** in 2009-10.
- From a net profit of **Rs. 30.90 cr** in 2005-06 to **Rs. 69.09 cr** in 2009-10.
- From earnings per share of **Rs. 24.18** in 2005-06 to **Rs. 35.67** in 2009-10.
- From book value per share of **Rs. 82.60** in 2005-06 to **Rs. 225.55** in 2009-10.


TTGX 973361

The numbers that you saw on the previous page represent concrete evidence . . .

- Of our evolution from a mere civil roads contractor to a comprehensive nation-builder.
- Of our extension from one vertical to five (roads, buildings, railways, water & sewerage and power transmission).
- Of our growth from a Rs. 211.73 cr company in 2005-06 to a Rs. 1,100 cr-plus turnover in 2009-10.

Encapsulated in two words. B*road*ening horizons!

Six things about C & C Constructions that you must know...

- Diversified order book of Rs. 2,612.90 cr (as on 30 June 2010) with assignments in road, urban infrastructure and power transmission verticals.
- Projects located in challenging and demanding terrains, fetching attractive returns.
- International presence in Afghanistan.
- Captive resources including quarries.
- Among the highest EBIDTA margin-earning companies in its peer group: up 218 basis points to 18.70% in 2009-10.
- One of the fastest growing industry topline (CAGR growth of 53% over the last five financial years) and profitability (CAGR growth of 22% over the last five financial years).

Vision

To deliver to the client the best solutions and broaden activity base by diversifying into other infrastructure disciplines to sustain a healthy growth rate.

Mission

To achieve our objectives in an environment of fairness and courtesy to our clients, employees, vendors, investors and the society.

Strategic imperatives

- Focusing aggressively on growth markets.
- Building capacities and capabilities across organisational functions.
- Partnering, acquiring and divesting to accelerate strategy implementation; focusing resources on the core business.
- Providing integrated turnkey services and out-of-the-box solutions, an edge over competitors.
- Investing in internal capabilities to build a high-performance culture.

Profile

C & C Constructions Limited, incorporated in July 1996 by a group of professionals, is now one of India's fastest growing construction conglomerates focused on creating nationally important infrastructure assets.

Portfolio

C & C Constructions' activity areas include turnkey responsibility for roads, highways and urban infrastructure (water, sanitation and sewerage, power/telecom transmission towers and commercial buildings).

Clientele

- National Highways Authority of India
- Dedicated Freight Corridor Corporation of India Ltd.
- Government of Bihar, PWD ▪ Jaiprakash Associates Ltd.
- Central Public Work Department ▪ Municipal Corporation of Delhi ▪ Ramky Infrastructure Ltd.
- Government of Punjab, PWD ▪ Punjab Infrastructure Development Board ▪ Punjab Water Supply and Sewerage Board
- Power Grid Corporation of India ▪ Airports Authority of India
- USAID (United States Agency for International Development)
- UNOPS (United Nations Office for Project Services)

Key Financials 2009-10

Revenue growth		EBIDTA growth		Profit after tax growth		Cash profit growth	
56%		76%		68%		72%	
2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010
Rs 750 cr	Rs 1168 cr	Rs 124 cr	Rs 219 cr	Rs 41 cr	Rs 69 cr	Rs 66 cr	Rs 114 cr

EBIDTA margin growth		Net margin growth		RONW growth		ROCE growth	
218 bps		43 bps		327 bps		296 bps	
2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010
16.52%	18.70%	5.48%	5.91%	12.49%	15.76%	12.87%	15.83%

Building the company brick-by-brick

1996 Incorporated by professionals.

1996 Awarded first road project in Punjab.

1997 Awarded first airport project in Kerala.

2000 Bagged first NHAI project in Durgapur, West Bengal.

2001 Executed first joint venture with BSPCL Infrastructure Limited.

2003 Bagged the first-ever overseas road project (in Afghanistan).

2005 Awarded three large contracts in Bihar.

2006 Received the first urban transport project in Delhi .

2007 Bagged a prestigious BOT (build-operate-transfer) on a national highway from NHAI.

2008 Bagged the first railway project and the prestigious Parliament project in Afghanistan.

2009 Bagged the first commercial building project in Mohali on BOT basis.

2010 MoU with Isolux Corsan of Spain; bagged two BOT road projects in Bihar with BSPCL Infrastructure Limited.

Leading the Way . . .

From left to right:
Mr Ramesh Chandra Rekhi
Mr Anand Bordia
Mr Charanbir Singh Sethi
Mr Rajendra Mohan Aggarwal
Mr Amrit Pal Singh Chadha
Mr Deepak Dasgupta
Lt. Gen. Harbans Singh Kanwar (Retd.)
Mr Sanjay Gupta
Mr Rajbir Singh
Mr Tarlochan Singh
Mr Arun Kumar Purwar
Mr Gurjeet Singh Johar

From the Chairman's Desk

Dear fellow Stakeholders,

India's growing population and rebounding economy - the country reported 7.4% GDP growth in 2009-10 - are driving the need to modernise its infrastructure. In fact, the country's GDP growth could have been 200 bps higher but for its infrastructure shortcoming.

The result is a concurrent need to catch up with a lost past on the one hand and be ready for a dynamic future on the other. The potential is reflected in a singular number: more than USD 530 billion investment is expected to flow into India's infrastructure across the Eleventh Five Year Plan. The result: growing opportunities for companies like C & C Constructions Limited.

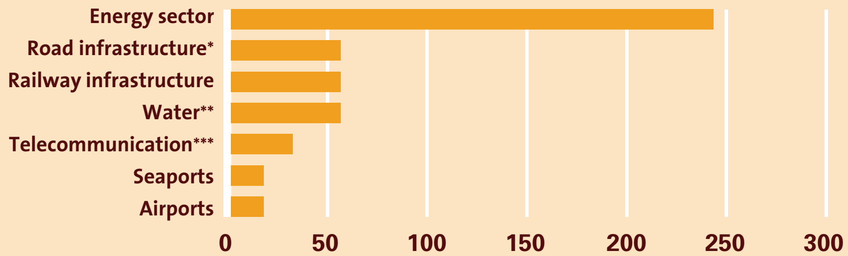
The infrastructure imperative

There is a lot to be done in India. The country covers the seventh largest global landmass of 3.29 million square km. It accommodates the world's second-largest population of nearly 1.2 billion. It is projected to emerge as the fifth-largest economy by 2025. However, the country's infrastructure does not quite correspond to this scale or scope.

Sector-wise break-up of investments for the Eleventh Five Year Plan

Planned Investment in infrastructure in India till 2012

USD (bn) according to 11th FYP



*Costs of National Highway Development Programme till 2015 **Water supply and Sewerage disposal
***Network, Transmissions Masts, Optical Fiber Cables; without customer premises equipment

Sources: Government of India, appropriate ministries

- The country faces 14% peak power deficit while China adds 1,00,000 MW of power generation capacity a year.
- The country's poor transport infrastructure is at least ten years behind that of China.
- The country's urban infrastructure is marked by overcrowded public transport, congested roads, inadequate Sewerage systems and uncollected waste.
- The country's ports are marked by congestion and India's export trade is only 1.5% of global trade, expected to grow 1.9% in 2011 against a projected 10.8% in China.
- A fifth of the country's GDP is accounted for by industry whereas the equivalent in China is 500 bps higher.

India needs to plug this gap with speed.

India's proposed infrastructure spend is expected to surge from USD 88 billion (Ninth Plan) to USD 140.4 billion (Tenth Plan) to USD 530 billion (Eleventh Plan) and a projected USD 650 billion (Twelfth Plan). Correspondingly, this infrastructure investment is expected to rise from 4.5% of GDP to 8% by 2012.

The infrastructure ramp-up

The present Eleventh Five Year Plan includes several significant infrastructure programmes that are already underway:

- The Pradhan Mantri Gram Sadak Yojana (PMGSY) aims to connect over one million habitations with all-weather roads by 2015-16.
- The Bharat Nirman initiative aims to invest Rs. 78,000 cr over five years to develop rural roads, telecom, irrigation, water supply, housing and electrification, among other infrastructure aspects.
- The Dedicated Freight Corridor Corporation of India Limited (DFCC) expects to invest USD 8.3 billion over four-five years.

The road ahead

As one of India's fastest-growing infrastructure companies, we are attractively positioned to take our business ahead for the following reasons:

- **Brand:** We enjoy a 14-year experience in the construction business, having completed 15 projects as on 30 June 2010.
- **Portfolio:** We possess a rich, diversified presence across fast-growing sectors (roads, buildings,

railways, water and sewerage treatment and power transmission).

- **Value-accretive projects:** We are engaged in a number of BOT projects, which enable us to fetch higher ROE-adjusted returns; for each share invested in Company, we earned Rs. 35.67 as net profit in 2009-10.
- **Business model:** Our operating margin of 18.70% indicates that a small change in interest cover overheads will provide a larger fillip to profits.
- **Order book:** Our Rs. 2,613 cr order book (as on 30 June 2010) provides a two-year revenue visibility. It is noteworthy that 19% of our order book comprises BOT projects (as on 30 June 2010), indicating strengthening, operating and net margins accrued over the life of these assets. We derisked our business by reducing the share of our Afghanistan business from 13% as on June 30th, 2009 to 8% as on June 30th 2010.
- **Associates:** We partnered with renowned associates like BSCPL Infrastructure Limited. Our memorandum of understanding (MoU) with Isolux Corsan of Spain (USD 3.8 billion infrastructure giant) strengthened our access to new technologies, sunrise verticals and international markets.
- **Assets:** Our rich asset bank catalyses low-cost, high-dependability project completion. With a healthy asset bank of Rs. 498 cr (gross block, as on 30 June 2010), we expect a significant improvement in the fixed assets to turnover ratio, going forward. This is on account of the fact that new projects will not warrant the fresh procurement of assets but will be rather served by release of equipment from existing assignments, which are nearing completion – for instance most of our road projects in Bihar.
- **Customers:** Our customers comprise government bodies like NHAI and several state public works departments, municipalities, road development authorities and private sector companies.
- **People:** Our intellectual capital is reflected in the recruitment of MBAs, civil engineers, architects and chartered accountants.

We expect to leverage these strengths.

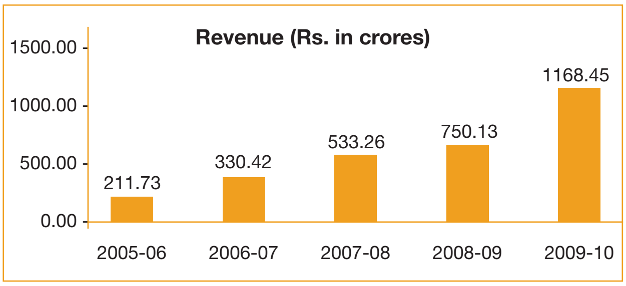
Acknowledgements

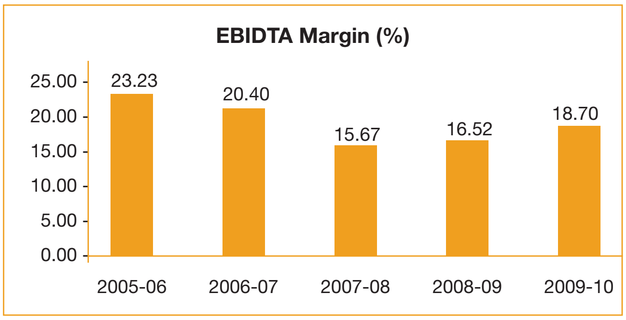
I must acknowledge the efforts of all who catalysed our growth - our customers, employees, partners, bankers, suppliers, associates and community members. I must assure them that the Company will continue to practice what it has always done, deliver value for all those who depend on us, work with us and invest in us.

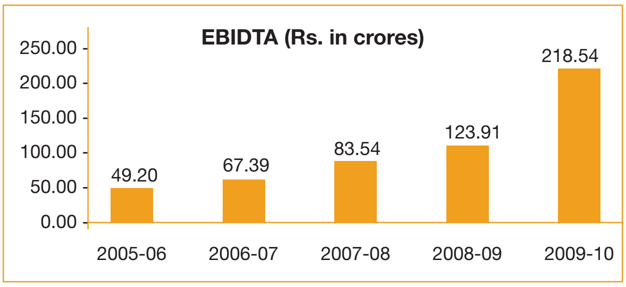
Sincerely,

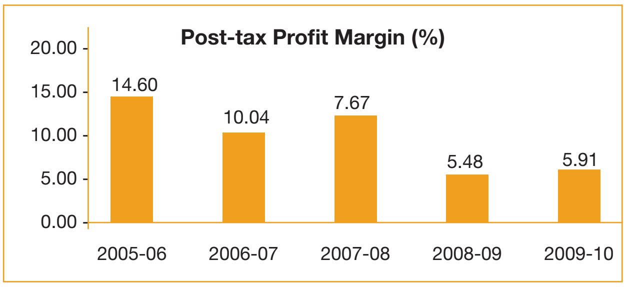
Gurjeet Singh Johar
Chairman

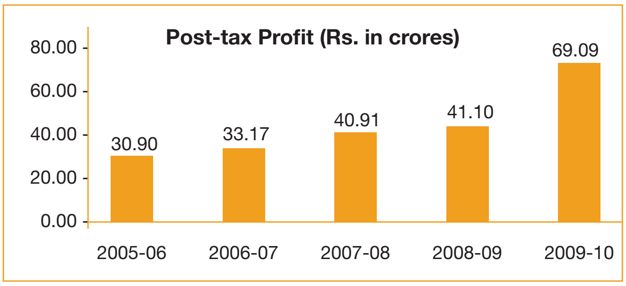
OUR EXCITING FUTURE IS BASED ON THE SOLID FOUNDATION OF THE PAST

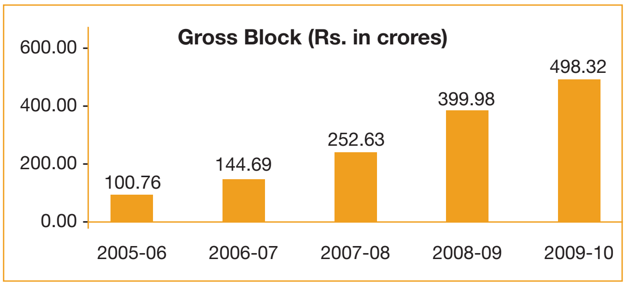


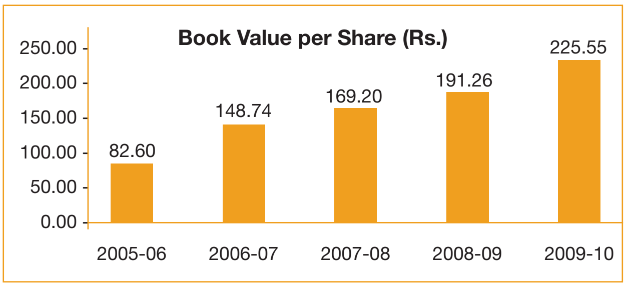


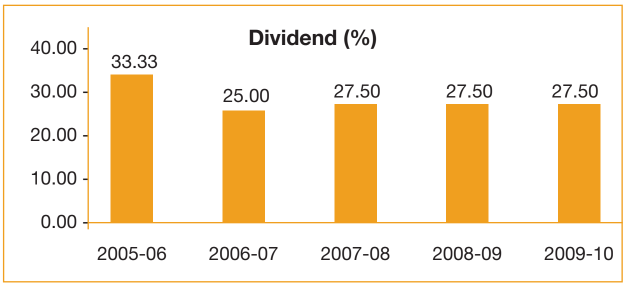


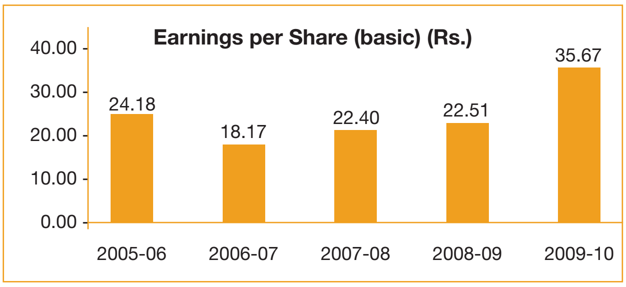


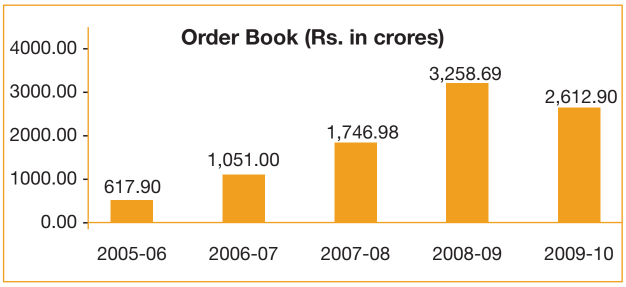


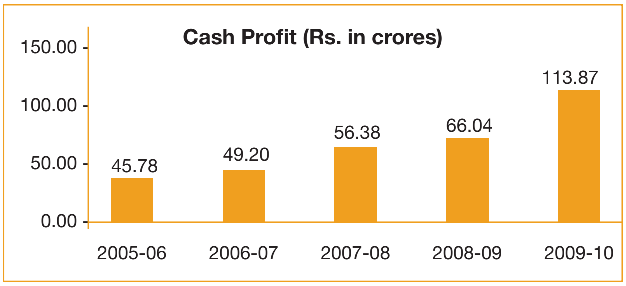


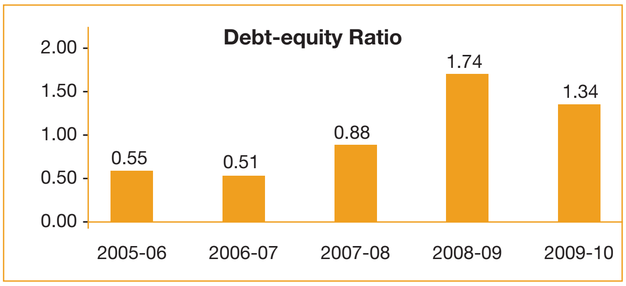

Book Value per Share (Rs.)
250.00
200.00
150.00
100.00
50.00
0.00
82.60
148.74
169.20
191.26
225.55
2005-06
2006-07
2007-08
2008-09
2009-10


Dividend (%)
40.00
30.00
20.00
10.00
0.00
33.33
25.00
27.50
27.50
27.50
2005-06
2006-07
2007-08
2008-09
2009-10


Earnings per Share (basic) (Rs.)
40.00
30.00
20.00
10.00
0.00
24.18
18.17
22.40
22.51
35.67
2005-06
2006-07
2007-08
2008-09
2009-10


Order Book (Rs. in crores)
4000.00
3000.00
2000.00
1000.00
0.00
617.90
1,051.00
1,746.98
3,258.69
2,612.90
2005-06
2006-07
2007-08
2008-09
2009-10


Cash Profit (Rs. in crores)
150.00
100.00
50.00
0.00
45.78
49.20
56.38
66.04
113.87
2005-06
2006-07
2007-08
2008-09
2009-10


Debt-equity Ratio
2.00
1.50
1.00
0.50
0.00
0.55
0.51
0.88
1.74
1.34
2005-06
2006-07
2007-08
2008-09
2009-10

BY BEING IN THE RIGHT PLACE AND SPACE

C & C Constructions has grown attractively based on its ability to identify and position itself in growing infrastructure areas.

We created a railways division in 2007 and within a year, received an order worth Rs. 781cr. Within two years of launch, our building projects division reported its highest order book accretion of 38% of the total order book accretion in 2008-09.

Besides, our ability to enter into alliances with partners possessing service capabilities helps us scale a solid presence in key markets and verticals. For instance, our partnership with Isolux (Spain) will enable us to enter new verticals and geographies.

53% AND 22% CAGR GROWTH IN TOPLINE AND BOTTOMLINE OVER THE FIVE YEARS LEADING TO 2009-10

Project: Mohali bus terminus and integrated commercial complex, one of the first BOT projects for C & C Constructions
Client: Punjab Infrastructure Development Board (PIDB)
Project value: Rs. 432 cr
Scope: Creation of an inter-state bus terminus and commercial complex across more than 14 lac sq. ft of built up area in Mohali (Punjab); received a 20-year concession period for the bus terminus and a 90-year period for the commercial complex.
Challenges: The project is first-of-its-kind in India and expectations are running high.
Execution: Used high-strength PSC girders, among the largest in India. Used precast panels as retaining walls. Consumed around 40 cu. m of concrete daily. Employed a 58-member team on-site at any given point. Used nearly 611 MT of reinforcement steel during the year.
Result: Expect to complete the project within the timeline. Sold/leased out around 2 lakh sq. ft space to Indian and global companies engaged in film distribution, hospitality and retail.

BY STRENGTHENING THE BUSINESSES OF OUR CUSTOMERS

C & C Constructions grew attractively on account of its ability to engage with customers before the first brick is laid, strengthening relationships and bottomline.

We leverage our engineering knowledge, process technology, service offerings and customer relationships to partner with customers across all market cycles. We invest in technology and service to address customer challenges of urgency and quality. We enhance customer productivity and profitability.

The result is that we are not just a trusted organisation integral to the success of our partners, but in doing so, diversify our revenues and strengthen our business as well.

45% AND 26% CAGR GROWTH IN EBIDTA AND CASH PROFIT OVER THE PAST FIVE YEARS LEADING TO 2009-10

Project details: Construction of 27 km four-lane road between Parwanoo and Zirakpur in Himachal Pradesh
Client: JP Associates Limited
Project value: Rs. 574 cr
Scope: Total road length of 27 km with 2 km of flyover and 1.5 km of viaducts.
Challenges: Traffic density. Mountainous terrain in Himachal Pradesh. Strong asset and manpower requirement.
Execution: Planned and scheduled for precise project implementation. Used state-of-the-art equipment comprising tower cranes, vibrators and excavators, among others. Deployed 10-30 metre high viaducts, an engineering marvel. Deployed nearly 2,000 people including all management and supervisory staff and workers on-site at any point. Built approach roads to the flyover.
Result: Expect to complete the project within schedule, by December 2010. Project progress endorsed by client.

BY FOCUSING ON ENHANCING VALUE...

Thinking national, working local
- Diversified geographic presence
- JV/alliance partners

Responsive to market challenges
- Focused on quality
- Committed to timely delivery
- Diverse terrain understanding

Strong engineering capabilities
- Investments in gross block
- Detailed blueprint mapping and execution
- Ongoing investments in training people

Robust customer integration
- Accurate budgeting and cost management practices
- Investments in IT software and tools

Safety and environment focus
- On-site safety monitoring
- Environment focus

Client accolades

- Customer endorsements through certifications
- Client certification through repeat projects

Experienced resources, rich intellectual capital

- Regular on-the-job/classroom training
- Knowledge enhancement through regular learning-sharing programmes
- Visits to symposiums, fairs and conferences

… FOR SHAREHOLDERS

C & C Constructions is in business to enhance value for shareholders. We have fared well in this regard: market capitalisation strengthened from Rs. 302.75 cr (as on 30 June 2009) to Rs. 557.13 cr (as on 30 June 2010).

C & C Constructions possesses a diversified shareholder base of around 19,000 investors. At the end of 2009-10, foreign investors and FIIs accounted for 6.58% of the Company's shareholding, FIs, MFs and banks for 14.20%, retail investors including domestic corporates for 15.8% and the Company's promoters accounted for 63.42%

Order book: C & C Constructions' order book was Rs. 2,613 cr as on 30 June 2010, providing revenue visibility for two years.

Return on gross block (ROGB): C & C Constructions' gross block comprises advanced equipment, which facilitates a swifter ability to mobilise resources and complete projects. The Company's ROGB enhanced from 12.60% in 2008-09 to 15.38% in 2009-10.

Margins: C & C Constructions' EBIDTA margin increased 218 basis points from 16.52% in 2008-09 to 18.70% in 2009-10 and profit after tax margin increased 43 basis points from 5.48% in 2008-09 to 5.91%in 2009-10, despite a rise in material costs, interest, depreciation and tax. Margins are expected to improve following the accretion of larger and more profitable projects.

Dividend: C & C Constructions proposes a Rs. 2.75 per share dividend (face value Rs. 10 each) in 2009-10, striking a balance between shareholder reward and reinvestment.

Earnings per share (EPS): C & C Constructions' EPS stood at Rs. 35.67 in 2009-10 against Rs. 22.51 in 2008-09.

Book value: The Company's book value per share stood at Rs. 225.55 in 2009-10 against Rs. 191.26 in 2008-09, indicating growing value.

ANSWERING SHAREHOLDER QUESTIONS

"In 2009-10, we delivered projects worth Rs. 1,168 cr, bagged new projects worth Rs. 364 cr and ended the year with a Rs. 2,613 cr order backlog."

Mr. Gurjeet Singh Johar, Chairman, C & C Constructions Limited, appraises the performance of the Company in 2009-10 and looks ahead with optimism.

Q. Did you do well in 2009-10?

A. Most certainly. We finished the year under review with across-the-board growth reflected in the following numbers:

- Our topline increased 56% to Rs. 1,168 cr
- Our operating profit increased 76% to Rs. 219 cr
- Our EBIDTA margin increased 218 basis points to 18.70%
- Our cash profit increased 72% to Rs. 114 cr
- Our pre-tax profit increased 91% to Rs. 108 cr
- Our post-tax profit increased 68% to Rs. 69 cr
- Our EPS increased 58% to Rs. 35.67
- Our return on the capital employed (average) increased 296 basis points to 16%.

We also entered attractively-growing verticals – railways, water and Sewerage treatment and transmission towers. This endorses the fact that we possess a large pool of construction competencies and need to draw on them prudently to enhance value to existing and emerging verticals.

Q. Why did the Company enter new verticals?

A. For reasons of synergy and growth. For instance, our transmission division offers us the flexibility to bundle services with civil engineering skills and bid for turnkey projects. We expect to leverage our competencies in civil and structural assignments to enhance our presence in the railways segment. Besides, the upcoming Dedicated Freight Corridor will create a significant demand for feeder roads, benefiting our roads division.

To support these turnkey projects, we established a captive design engineering outfit ensuring timely and cost-effective project delivery on the one hand and empowering us to bid for a larger number of high-ticket projects on the other.

Q. What were some of the other key developments of 2009-10?

A. There were a number of positive developments that transpired during the year under review:

- We mobilised Rs. 177 cr through a mix of warrants – Rs. 50 cr in April 2010, Rs. 77 cr from a qualified institutional placement and Rs. 50 cr through a private equity placement to India Ventures in July 2010. These investments strengthened our capability to grow our business. For instance, we expect to utilise these resources for our working capital needs and equity investments in joint ventures.

- We signed a Memorandum of Understanding with the Isolux Group (Spain) for the creation of a limited liability partnership that will strengthen our pre-qualification criteria in bidding for road, airport and building projects in excess of Rs. 500 cr, open up newer markets which are typically characterised as large and facilitate our extension into new verticals and geographies, which we are creating.
- We commissioned the ERP in early 2009-10 which facilitated informed decision-making, decentralisation and on-site risk management.
- We accelerated the progress on the prestigious Mohali BOT project, among the first in India with a vibrant commercial complex attached to a bus terminus. Of the 14 lac sq. ft space, we tied-up 2.25 lac sq. ft with a renowned film distributor, retail conglomerate and hospitality major. We expect to completely pre-sell all the space with us as the project nears conclusion.
- We suffered a time-overrun on the Kurali-Kiratpur BOT project owing to land acquisition delays. The completion of this 44-km, NH-21 project is expected in November 2010. Once on stream, project monetisation will commence through toll collection.

Q. What is the Company's order backlog position?

A. An appraisal of our order book throws up some interesting features: In 2009-10, we delivered Rs. 1,168 cr worth of projects, bagged new projects worth Rs. 364 cr and ended the year with an order backlog of Rs. 2,613 cr. At the beginning of the year, we had an order book of Rs.3418 cr and we delivered Rs. 1,168 cr worth of projects during the year. Going ahead, we expect to focus on lower-gestation projects, better cost management in an inflationary environment and stronger resource utilisation.

Q. What key trends are shaping the industry? How is the Company responding to them?

A. An increasing number of contracts are being awarded based on the build-operate-transfer (BOT) and build-own-operate-transfer (BOOT) models as opposed to the erstwhile practice of cash contract-based assignments. Under BOT and BOOT, the creation of a special purpose vehicle (SPV) is mandatory and consequently, the developer is required to commit funds to SPV equity – an entry barrier for new industry entrants. Besides, the BOT and BOOT model ensures attractive revenue generation through asset control and operation for a specified period before ownership transfer. Certain BOT projects have the potential to emerge as cash cows owing to their robust revenue generation capabilities. At C & C Constructions, our strong financial credibility, rich experience and a strong net worth (Rs. 527.56 cr as 30 June 2010) combined to pre-qualify us for a number of large and attractive projects.

Q. What is the outlook for 2010-11 and beyond?

A. Three distinct initiatives will drive our growth story: one, our venture into growing business lines; two, climbing the value chain in existing business lines and three, securing a stronger global foothold. We cemented our international presence through projects in Afghanistan and as the rebuilding accelerates, we will emerge as frontrunners in bagging more projects in that geography. Based on our order backlog, opportunity-identification capabilities, robust project management skills and rich engineering capabilities, we expect to improve our track record.

BUILT ON THE FOUNDATION OF STRENGTH

Expanding presence across infrastructure segments – topline and bottomline grew at a CAGR of 53% and 22% respectively from 2005-06 to 2009-10

C & C Constructions is a construction player with a diversified geographical and revenue mix. On the back of growing sectoral opportunities, the Company's order book grew from a mere Rs. 618 cr as on 30 June 2006 to Rs. 2,613 cr as on 30 June 2010, about 2.2 times its 2009-10 revenues. Our expertise spans highways and roads, airports, real estate, telecom infrastructure, power generation and transmission and water sanitation and sewerage projects. Our diversified business portfolio offers attractive growth opportunities as these sectors are expected to drive the country's economic growth. Our goal is to possess a balanced business portfolio with revenue predictability, profitability and contract quality as key determinants.

Robust clientele – business from private customers accounted for 27% of our turnover in 2009-10

We cater to the ever expanding needs of our rich and diversified customer portfolio comprising: National Highways Authority of India, Jaiprakash Associates Limited, Central Public Work Department, State Government's Public Works Departments, RITES Limited and Power Grid Corporation of India Limited, among others.

Continuous growth in our bid capacity and pre-qualification capability – net worth surged at a CAGR of 50% from 2005-06 to 2009-10

Our business and growth are dependent on our ability to bid for and secure larger and more varied projects. Bidding for infrastructure projects is dependent on various criteria, including bid capacity and pre-qualification capability. We focused on enhancing both these capabilities.

Core operating experience in challenging terrains – our operating profit margins grew 218 basis points to 18.70% in 2009-10
We operate in difficult terrains, challenging trained personnel, timely material supply, efficient equipment functioning and security concerns. Our hands-on entrepreneurial management and enterprising team ensured that these challenges were addressed consistently to customer satisfaction.

The competent supply chain and backward integration
We source key raw materials (aggregate and bitumen) proximate to our operating sites, reducing transportation costs. The aggregate procurement from captive quarries facilitates timely supply at reasonable costs. We established mechanical loading and unloading lines and used railway sidings at some sites for material transportation.

Ownership of high-end equipment – our gross block surged at a CAGR of 49% over the past five years ending 2009-10 to Rs. 498 cr
Our Rs. 498 cr asset base includes critical high-end and modern construction equipment (crushers, excavators, cranes, batching plants and pavers, among others). This ensures constant equipment availability and quick mobilisation, a significant edge over the competition.

Sustained growth of our Afghanistan operations – income from international operations contributed 8% to our topline in 2009-10
We deployed management time, capital equipment and financial resources in Afghanistan from 2003 onwards. Our Afghanistan operations cater to projects funded by agencies like USAID, World Bank and ADB, and are executed through international contractors like Louis Berger Inc. We execute projects within contracted timelines with requisite quality standards, generating repeat engagement. Presence of owned machinery in Afghanistan facilitates quick mobilisation and reliable local contacts ensure smooth execution.

Hands-on management team with significant experience
We have 2,888 employees including engineers, MBAs and CAs employed in the Company and 5,854 employed in our joint venture. The skill sets of our employees give us the flexibility to adapt to varied client and technical requirements. We are committed to the development of employee expertise through training. Our experienced promoters are involved in day-to-day operations, ensuring that projects are executed within contracted timelines.

BUSINESS SEGMENT REVIEW

C & C Constructions enjoys a rich and diversified presence across some of India's fastest-growing infrastructure verticals comprising roads, buildings, railways, water and Sewerage treatment and power transmission.

(all fig. Rs. in cr except %)

Particulars	Roads	Buildings	Railways	Water and sewerage	Transmission	Total
Orders on hand as on 1st July 2009*	2,248	741	391	38	0	3,418
	66%	22%	11%	1%	0%	100%
Add: New orders received	195	52	0	98	18	364
	54%	14%	0 %	27 %	5%	100%
Less: Value of work executed	1,063	83	13	8	3	1,168
	91%	7%	1%	1%	0%	100%
Balance as on 30th June 2010	1,380	711	378	128	15	2,613
	53%	27%	14%	5%	1%	100%

**Orders on hand as on 1 July 2009 includes escalation and variation in works during the year 2009-10.*

Business segment review -1

ROADS

- Segment status within Company: Largest
- Portfolio: Road, highway, bridge and flyover construction
- Total number of projects completed till date: 15
- Number of ongoing projects as at 30 June 2010: 15
- Number of projects completed and handed over in 2009-10: 5
- Number of projects bagged in 2009-10: 1
- Revenue, 2009-10: Rs. 1,063 cr
- Contribution to the total revenue in 2009-10: 91%
- Order book, as on 30 June 2010: Rs. 1,380 cr

Overview

The roads division is C & C Constructions' largest. The Company ventured into this segment to capture opportunities arising out of NHAI and NHDP programmes announced by the Government of India in response to the country's growing infrastructure needs. Today, C & C Construction's roads division is its flagship business segment with a contribution of nearly 91% to the topline in 2009-10 and a composition of 53% in the order book (as on 30 June 2010). Over the years, this segment has built competencies in not only the construction of roads but also highways, bridges and flyovers, among others.

C & C Construction's road segment enjoys a presence across the following areas:

- Development of roads under BOT and rehabilitation and upgradation of existing road sections
- Construction of bridges and flyovers
- Construction of new highways and realignment of existing highways
- Construction of bypasses
- Widening and strengthening of existing carriageways

Key strengths

Strong financial base: A strong net worth empowered the Company to bid for progressively larger projects independently insulating it from competitors without prequalification capability. The Company's order book reflected project denomination of Rs. 1,380 cr as on 30 June 2010, attractive in terms of scale and profitability.

Robust engineering talent: The Company's growth has been fuelled by a rich talent pool of engineers with vast experience to complete challenging projects on schedule.

Captive equipment: The Company invested in captive equipment ownership – latest generation of pavers, sensor pavers, tandem rollers, kerb laying machines, pneumatic tyre rollers and wet mix plants, among others – to turn projects around with speed, economy and quality. It possesses one of India's largest pile rigs and state-of-the-art equipment to measure post-construction road quality.

Tendering efficiency: The Company's rich engineering knowledge provides sound tender management skills, helping calculate a competitive bid price to bag contracts. The division's cost estimation and tendering teams conduct meticulous document study, site visits, local office commissioning, verifications by top management and cost computation. This exercise is now facilitated by information technology tools developed in-house, leading to precise estimation and successful bidding.

Quality: The Company's quality commitment is reflected in the commissioning of independent laboratories across all its sites, irrespective of project size. This facilitated quality checks across the entire project cycle from raw material procurement to project completion.

Credible partners: The Company entered into business-enhancing partnerships with reputable organisations like BSCPL Infrastructure Limited, among others. These partnerships strengthened the Company's financial and technical capabilities when bidding for large, specialised projects.

Timely completion: All projects undertaken by this division have been completed on time or within the extended period without a single instance of the Company being penalised for transgression.

Right project selection: The Company bids for those projects that offer achieving economies-of-scale in terms of equipment and resource mobilisation.

International presence: The division is looking to enhance its footprints across the globe. Preliminary surveys have been done in Indonesia, Vietnam, Oman, Kuwait and Bangladesh, among others.

Outlook

The division expects to embark on the following:

- Strengthen its existing design wing for captive and external orders, graduating it to a profit centre
- Enhance equipment utilisation
- Recruit manpower through tie-ups with engineering and other institutes
- Widen presence through projects related to mass rapid transport systems (MRTS), urban flyovers, ports, interchanges, outer city ring roads and railways, which offer significant scope in engineering and value-addition
- Capture a larger market share in the roads transportation vertical and emerge among India's largest segmental players

KEY PROJECTS UNDER EXECUTION

Project	Client	JV/ Direct	Contract Value (Rs. cr)	Contract Value (C & C share – Rs. cr)
Construction and maintenance of Zirakpur –Parwanoo Section of NH-22 from km 39.860 to km 67.00 including construction of Pinjore-Kalka–Parwanoo Bypass	Jaiprakash Associates Ltd	Direct	574	574
Construction of rigid pavement and granular layers for package C-1 (km.0.500 to km 56.00) and C-2 (Km 56.000 to km 110.00) for Yamuna Expressway (erstwhile Taj Expressway)	Jaiprakash Associates Ltd.	Direct	375	375
Improvement / upgradation of Jahanabad-Ghosi-Hajipur-Lalgunj-Vaisali-Manikpur-Paru-Baradaud Deoria-Sahebganj-Lalchhapra-Kesharia–Khajuria Areraj Road (SH-74) length 85.00 km	Public Works Department, Bihar	Direct	225	225
Gardez-khost Road Construction Project, Paktia Khost	LBG B&V JV	JV	430	215
Widening and strengthening to 4 lane of existing single/ intermediate lane carriageway of National Highway No.57 section from km 155.00 (Kosi Western Ring Bund) to km 110.00 (Jhanjharpur) in the states of Bihar on East West Corridor under NHDP-Phase-II, Package No. C-II/BR-6.	National Highway Authority of India	JV	430	215
Widening and strengthening to 4 lane of existing single/ intermediate lane carriageway of National Highway No.57 section from km 69.80 to km 37.75 in Bihar on East West Corridor under NHDP-Phase-II, Package No. C-II/BR-8	National Highway Authority of India	JV	408	204
Two laning with paved shoulders of Mokama Munger section of NH-80 from km 1.430 to km 70.00 in the state of Bihar under NHDP III	Mokama Munger Highway Limited-SPV	JV	390	195
Widening and strengthening to four lane of existing single/ intermediate lane carriageway of National Highway No.57 section from km 37.75 to km 0.00 in Bihar on East West Corridor under NHDP-Phase-II, Package No. C-II/BR-9	National Highway Authority of India	JV	383	191
Widening and strengthening of existing 2 lane section of Kurali-Kiratpur section of NH-21 from km 28.600 to km 73.200 to 4 lane divided carriageway in Punjab	BSC C and C Kurali Toll Road Limited- SPV	JV	360	180
Improvement / upgradation of Jahanabad –Ghosi-Islampur-Rajgir-Giriyak-Parwatipur Road (SH-71) length 85.00 km	Public Works Department, Bihar	Direct	160	160
Improvement / upgradation of Araria–Ranigunj-Jadia-Trivenijung-Piapara-Supaul–Bishunpur-Bhaptiyahi Road (SH-76) length 121.00 km	Public Works Department, Bihar	JV	300	150
Improvement / upgradation of Kursela –Pothia-Falka-Meerganj-Sarsi-Kalabalu-Ranigunj-Shaifgunj-Forbesgunj Road (SH-77) length 105.00 km	Public Works Department, Bihar	JV	278	139
Upgradation of Kharar-Landran-Banur-Tepla Road from km 0 to km 39.53	Public Works Department, Punjab	Direct	109	109
Widening and strengthening of Una-Barsar-Bhota-Bhamla-Kalkhar-Ner Chowk Road Project From km 45+000 to km 90+800 (Section Barsar – Bhota – Jahu	Public Works Department, Himachal Pradesh	Direct	104	104
Widening and strengthening of Una-Barsar-Bhota-Bhamla-Kalkhar-Ner Chowk Road Project From km 0+000 to km 45+000 (Section Una-Bangana-Barsar)	Public Works Department, Himachal Pradesh	Direct	99	99

KEY PROJECTS COMPLETED

Project	Client	JV/Direct	Contract Value (Rs. cr)	Contract Value (C & C share- Rs. cr)	Completed on
Development of State Highways under RSVY scheme. Pkg. No.17: Nawada and Jamui Dist	Central Public Works Department	JV	59	29	Mar, 2010
Improvement / upgradation for existing road of States Highway into 2 lanes road in Madhubani	Ircon International Limited	JV	62	31	Mar, 2010
Rehabilitation of Kapurthala-Taran Taran Road	Public works Department, Punjab	Direct	55	55	Dec, 2009
Construction works related to widening / upgrading of roads to convert the existing carriageway to multilane facility for the high-capacity bus system	RITES Limited	JV	129	65	Nov, 2009
Upgradation of Tarn Taran-Chabbal-Attari Road	Public works Department, Punjab	Direct	45	45	Aug, 2009
Build, design and rehabilitation of Taliqan to Kishem Road, Afghanistan	Ministry of Public Works, Afghanistan	JV	90	45	Apr, 2008
Reconstruction of Jalalabad- Asmer Road, Afghanistan (From km 0 to km 125)	Ministry of Public Works, Afghanistan	JV	157	79	Apr, 2007
Kandahar To Herat highway improvement project, Afghanistan (km 456 to km 557)	Louis Berger Group, Inc	JV	241	121	Oct, 2006
Design build and rehabilitation of Lashkar Gah Ring Road, Afghanistan from km 00 to km 43+00	UNOPS	JV	59	30	July, 2006
Design and build contract for rehabilitation of Kandahar-Spin Boldak highway, Afghanistan (Funded by ADB)	Ministry of Public Works, Afghanistan	JV	107	53	Nov, 2005
Construction of Kandahar-Trin Kot Road Project, Afghanistan	UNOPS	JV	98	49	Oct, 2005
Design and build contract for rehabilitation of 85 km stretch from km 262 to km 347 of Kabul-Kandahar highway, Afghanistan	Louis Berger Group, Inc	JV	207	103	June, 2005
Four-laning of km 146.00 to km 156.00, Guwahati Bypass, NH-37	National Highways Authority of India	JV	61	18	June, 2004
Resurfacing of existing runway, taxi track and extension and construction of runway, taxi tract and apron, Amritsar	Airports Authority of India	JV	21	11	Nov, 2003
Extension of runway by 5000 ft, Port Blair Airport	Airports Authority of India	JV	41	21	Jan, 2002

Five minutes with the Business Heads

"We are looking at strengthening economies-of-scale and skill to capitalise on the growing scope."

Interview with Mr. Charanbir Singh Sethi, Mr. Rajbir Singh, Mr. Sanjay Gupta and Mr. Amrit Pal Singh Chadha, Directors

Q. How does the division expect to maximise profitability in what is widely perceived as a competitive commoditised business?

A. **Mr. Charanbir Singh Sethi:** Through economies-of-scale and skill, we are now in a position to focus on projects with denominations exceeding Rs. 500 cr, leading to higher margins on account of superior asset utilisation and engineering understanding. This started a virtuous cycle: higher revenues, increased profitability, stronger reinvestment, higher net worth, quicker asset purchase, recruitment and efficient bidding for more value-enhancing projects. Besides, a MoU with Isolux (Spain) will strengthen our pre-qualification criteria and enable us to bid for larger margins-accretive projects in India and abroad.

Q. Since BOT projects are widely perceived to be profitability-centric, what is the status of your principal BOT projects?
A. **Mr. Sanjay Gupta:** We are engaged in a prestigious 44-km, 4-laning NH-21 project that connects Kurali with Kiratpur in Punjab. We have a 20-year concession agreement that ends in December 2027.

Q. What is the status of some of your principal projects in Afghanistan?
A. **Mr. Sanjay Gupta:** It is important to note that we are deeply involved in the rebuilding efforts in Afghanistan and enjoy a first movers' advantage of sorts in the region, being among the few construction companies to have ventured into the territory. At present, we are engaged in an important Rs. 430-cr road construction project which links Gardez to Khost and once developed, is expected to spur economic growth through a more seamless movement of cargo and people.

Q. The Company enjoys a strong presence in Bihar. Can you tell us the status of your projects in the region?
A. **Mr. Amrit Pal Singh Chadha:** It is interesting to note that in a difficult 2009-10, C & C Constructions was able to bag one project in Bihar. This reflects our growing and meaningful role in the development of some of the most backward regions of the state through providing faster and better connectivity. As on 30 June 2010, our order book in road projects in Bihar stood at Rs. 566.04 cr with some of the principal ones comprising those awarded by the NHAI, PWD Government of Bihar. By the end of this financial year (2010-11), we expect to complete and hand over three Bihar road projects.

Q. Who are some of your principal joint venture partners in roads?
A. **Mr. Charanbir Singh Sethi:** At C & C Constructions, we forge joint ventures to complement competencies and strengthen our overall pre-qualification criteria. Our principal joint venture partners are BSCPL Infrastructure Ltd (in roads) and Isolux for many verticals including roads.

Q. What are the key industry trends?
A. **Mr. Charanbir Singh Sethi:** The government is increasingly awarding projects on a BOT and EPC basis, which necessitates that bidders possess deep pockets to commit equity to their SPVs. This will filter competition and those awarded projects will strengthen their prospects to bid for more similar projects. By virtue of our size and scale, we are in the right position to capitalise on this emerging opportunity.

Business segment review -2

BUILDINGS

- Segment status within Company: Second largest
- Portfolio: Industrial buildings, commercial buildings and shopping malls
- Total number of projects completed till date: 1
- Number of ongoing projects as at 30 June 2010: 5
- Number of projects bagged in 2009-10: 1
- Revenue, 2009-10: Rs. 83 cr
- Contribution to the total revenue in 2009-10: 7%
- Order book, as on 30 June 2010: Rs. 711 cr

Overview

C & C Construction's buildings division evolved from being a mere contractor to a full-fledged infrastructure solutions provider. The Company utilises modern construction techniques (folded plate and shell roof, pre-cast and pre-stressed roof elements) to facilitate the quick and economical construction of large factories and workshop structures. This division now specialises in the construction of industrial buildings, commercial buildings, and shopping malls, among others.

Key strengths

Past experience: The Company acquired deep skills in the management of complex projects. Over the years, this goodwill extended into the commissioning of other divisions.

On-time delivery: The Company established a reputation for timely and competent delivery, making it a preferred partner.

Novel techniques: This division developed innovative operational methods to substitute conventional building construction methods, eliminating construction joints, reducing the possibility of cracks and dampness, and accelerating construction speed. This involved the manufacture of on-site, pre-cast building components resulting in larger built-up area volumes and greater quality delivered in quicker time.

Client-specific solutions: The wide clientele comprises government organisations serviced by customised solutions.

Asset strength: The division deploys world-class equipment comprising the batch mixer, concrete batching plant and crawler tower cranes. These enhance project quality and shrink commissioning time.

Knowledge centric: The division has a prudent mix of academics and hands-on experience, enabling the division to address challenging projects.

Stand alone basis: The division possesses the fiscal and engineering depth to undertake standalone projects as opposed to divisions often required to work with joint venture partners.

Outlook

- Enter construction of high-rise superstructures
- Downsize to liberate management time and concentrate on high-margin opportunities

Q. How is the division poised to capitalise on these opportunities?

A. Increasing population density and saturated accommodation are strengthening vertical urban growth. We expect to leverage our expertise in the construction of commercial and residential buildings. Our partnership with Isolux (Spain) is expected to enhance revenues and visibility.

PROJECTS UNDER EXECUTION (BUILDINGS)

Project	Client	JV/Direct	Contract Value (Rs. cr)	Contract Value (C&C share- Rs. cr)
Development of bus terminal cum commercial complex at Mohali on BOT basis	C & C Towers Ltd.	Direct	375	375
Construction of Afghan Parliament and Indian Chancery building at Kabul, Afghanistan	CPWD	JV	635	318
Construction of conventional underground multilevel car parking at various sites in Delhi	MCD Delhi	Direct	119	119
Construction of conventional underground multilevel car parking at various sites in Delhi	MCD, DELHI	Direct	52	52
Building-Mudit Cement	Mudit Cement Pvt. Ltd.	Direct	20	20

Five minutes with the Business Head

"We expect to capitalise on high-growth opportunities in the building and housing industry."

Interview with Mr. Sanjay Gupta, Director

Q. What opportunities are present in the industry?

A. There are a number of reasons for optimism. Unlike many countries grappling with an aging population and rising dependency ratios, India possesses a young and rapidly growing population, a potential demographic dividend. But India requires thriving cities: a recent McKinsey report estimates that cities could generate 70% of the total new jobs created till 2030, produce over 70% of India's GDP and drive a near four-fold increase in per capita incomes across the nation. India's urban population grew from 290 million reported in the 2001 Census to an estimated 340 million in 2008 and a projected 590 million by 2030. While it took nearly 40 years (between 1971 and 2008) for India's urban population to rise by 230 million, it could take only half that time to add the next 250 million. This will create tremendous opportunities in our line of business.

Business segment review -3

RAILWAYS

- Segment status within Company: Third largest
- Portfolio: Track laying services
- Number of ongoing projects as at 30 June 2010: 1
- Revenue, 2009-10: Rs. 13 cr
- Contribution to the total revenue in 2009-10: 1%
- Order book, as on 30 June 2010: Rs. 378 cr

Overview

C & C Constructions established the railways division in 2008 to tap into the immense sectoral opportunities – the government earmarked an investment of over Rs. 63 billion for the railways across the next three-five years.
The division possesses the ability to execute turnkey track-laying solutions – from excavation to laying down tracks along with major and minor bridges – and capital equipment. The divisional strategy comprises entering into joint ventures or tie-ups on a case-to-case basis and focusing on the construction of overhead electrification, signal lines and track laying.

Key strengths

Turnkey solutions provider: The division provides integrated one-stop solutions comprising excavation, embankment, blanketing, ballast supply and track laying, along with the capability to commission bridges.

Rich intellectual capital: The division employs talented and competent engineers.

Captive equipment ownership: The division invested in state-of-the-art equipment for overall efficiency improvement and timely assignment completion.

Outlook

- Bid for and bag additional projects, especially in the third and fourth gauge lines creation as announced by the Ministry of Railways
- Win repeat orders for the Dedicated Freight Corridor Corporation of India (DFCC)

KEY PROJECTS UNDER EXECUTION (RAILWAYS)

Project	Client	JV/Direct	Contract value (Rs. cr)	Contract value (C & C share- Rs. cr)
Design and construction of major/ minor bridges RUB, ROB, ballast for Dedicated Freight Corridor on Mughal Sarai-Sone Nagar section of Eastern Corridor in Bihar and Uttar Pradesh	DFCCIL	JV	781	391

Five minutes with the Business Head

"The dedicated freight corridor will do for the railways what the NHAI is doing for roads."

Interview with Mr. Charanbir Singh Sethi, Managing Director

Q. What opportunities are present in the railways sector?

A. In one word: immense. The rapid rise in international trade and domestic cargo is straining the Delhi-Mumbai and Delhi-Kolkata rail tracks. Consequently, the government decided to build dedicated freight corridors in the western and eastern high-density routes for an investment of around Rs. 22,000 cr (USD 5 bn). With increasing cargo containerisation, the demand for its movement by rail grew rapidly. Although container movement by rail was monopolised by CONCOR, a public sector entity, it was recently opened to private sector entities. These dedicated freight corridors will drive substantial investments in feeder roads and their upgradation, widening prospects for our roads division as well.

Q. How does the segment expect to capitalise on the available opportunities?

A. We are already engaged in a prestigious Rs. 781-cr contract for DFCC in Bihar. This assignment entails the laying of 105 km of tracks. I am optimistic that following successful completion, we will be in a position to enhance our pre-qualification criteria and bid for and bag over Rs. 500 cr of projects in 2010-11.

Business segment review -4

WATER AND SEWERAGE

- Segment status within Company: Fourth largest
- Portfolio: Water and Sewerage services
- Number of ongoing projects as at 30 June 2010: 3
- Number of projects bagged in 2009-10: 2
- Revenue, 2009-10: Rs. 8 cr
- Contribution to the total revenue in 2009-10: -1%
- Order book, as on 30 June 2010: Rs. 128 cr

Overview

C & C Constructions' Water and Sewerage division was established in response to the growing government need to provide safe drinking water. This division undertakes projects comprising the turnkey implementation of waste water collection systems for urban communities, industrial waste disposal, the turnkey implementation of water treatment plants as well as Sewerage treatment plants from concept to commissioning.

Key strengths

Diverse project management: The division manages diverse projects under one roof. It undertakes projects, which involve urban and industrial water and Sewerage treatment plants.

Value chain presence: The segment not only creates and operates projects but also designs and engineers them. This presence across the entire value chain facilitates proper scheduling and maintenance of quality throughout the entire project stage without much external dependence.

Rich talent resource: A majority of the team comprises engineers who facilitate timely and complex projects delivery.

Technology orientation: The segment is technology-oriented; the Company invested in state-of-the-art equipment enabling the delivery of projects of global standards.

Design capability: This division invested in Auto CAD at all its sites to control design accuracy.

Outlook

- Capture a growing market share over the foreseeable future
- Strengthen intellectual capital through the recruitment of qualified engineers and other professionals
- Invest in new technologies and equipment

KEY PROJECTS UNDER EXECUTION (WATER AND SEWERAGE)

Project	Client	JV/Direct	Contract value (Rs. cr)	Contract value (C & C share-Rs. cr)
Providing sewerage system at Ludhiana under JNNURM	PWSSB	JV	96	77
Providing, laying, jointing, testing and commissioning sewers lines in Jabalpur, Package WW/2 and WW/3	Ramky Infrastructure	JV	73	40
Extension and augmentation of sewerage system for Patiala town, Zone II Part II	PWSSB	JV	27	22

Five minutes with the Business Head

"We quench the thirst of millions and help them live hygienically."

Interview with Mr. Charanbir Singh Sethi, Managing Director

Q. What are the prospects of this business segment?

A. The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) was formulated with the goal of making our cities economically productive, efficient, equitable and responsive. In line with this objective, the scheme deals with issues affecting the urban poor, strengthening municipal bodies and eliminating legal and other bottlenecks that have stifled land and housing markets. A total of USD 700 million was committed to this scheme; the government is increasingly focusing on the supply of drinking water to rural parts with a renewal of sewerage networks, especially in Tamil Nadu and Andhra Pradesh.

Q. How is the division positioned to capitalise on opportunities?

A. In the water and Sewerage treatment division, we quench the thirst of millions and help them live hygienically and comfortably. We are in the process of executing a number of prestigious projects and by virtue of this association, are rightly placed to make the most of available industry opportunities.

Business segment review -5

TRANSMISSION

- Segment status within Company: Fifth largest
- Portfolio: Design, engineering, erecting, testing and commissioning of power transmission lines and electrification system improvement
- Number of ongoing projects as at 30 June 2010: 1
- Number of projects bagged in 2009-10: 1
- Order book, as on 30 June 2010: Rs. 15 cr

Overview

C & C Constructions' transmission business was established to tap opportunities arising from the modernisation of the country's power distribution. The various types of projects that this division undertakes comprises design, engineering, erecting, testing and commissioning of transmission lines and substations, electrification system improvement projects, engineering and construction of distribution lines.

Key strengths

Good sub-contractors relationship: The division enjoys excellent sub-contactor relationships, which facilitate project execution.

Engineering capability: The division employs engineers who complete complex projects on time, meeting requisite quality parameters.

Low inventory and overheads: The inventory requirement is the lowest compared with other business divisions as a large part of the work is outsourced.

Outlook

- Concentrate on transmission lines of 400 KV by imparting training to the employees for better project handling
- Enter new markets through a stronger business presence
- Recruit qualified people to undertake a larger volume of projects

KEY PROJECTS UNDER EXECUTION

Project	Client	JV/ Direct	Contract value (Rs. cr)	Contract value (C&C share-Rs. cr)
Turnkey tower package for transmission line at Shujalpur	PGCIL	Direct	18	18

Five minutes with the Business Head

'We are poised for substantial growth as state-of-the-art transmission lines will help minimise national losses and maximise efficiencies."

Interview with Mr. Rajbir Singh, Director

Q. What was the rationale behind the Company's entry into this segment?

A. India's power supply needs to grow at 12-14% annually to sustain national growth at 8-9%. The Central Government introduced a number of attractive schemes including the Restructured Accelerated Power Development and Reform Programme (R-APDRP) to improve the country's transmission and distribution network. The government announced an ambitious 'Power for All by 2012' programme to enhance power generation capacity by around 92,000 MW (revised) in the Eleventh Plan. These are expected to translate into a growing industry opportunity.

Q. What are the strengths of the division that enable a maximum capitalisation of opportunities?

A. In the transmission division, we possess robust engineering and project management capabilities. We limit our direct involvement to the extent of project engineering and commissioning, while we outsource non-core functions. Besides, we are actively looking at entering the 400-kv transmission lines business, a space characterised by lower competition.

MANAGING RISKS AT C & C CONSTRUCTIONS

C & C Constructions follows a process of risk management that comprises risk identification, risk analysis and measurement followed by the design of suitable risk mitigation or management framework covering control activities/procedures. At the enterprise level, the risk identification and mitigation procedures employed include the following:

Industry risks

Risk impact

Growth and demand is dependent on general economic conditions and a deceleration can adversely affect business and earnings.

Risk mitigation

Buoyant macroeconomic conditions in India encouraged the government to continue with economic reforms and encourage large investments in infrastructure and construction industries. The Indian infrastructure industry is the second largest contributor to GDP growth. Moreover, a targeted double-digit growth by the end of the Eleventh Plan period (2007-2012) suggests increased government spending on infrastructure, which bodes well for the Company. Besides, we are diversified across several verticals within the construction industry, reducing excessive dependence on a single sector.

Strategy risks

Risk impact

Skewed business strategy may result in lost opportunities

Risk mitigation

An average topline growth of 53% over the last five years depicts the Company's clear vision and mission. Annual business plans and the long-term business strategies are discussed thoroughly before being vetted by the Board of Directors. Besides, mid-term reviews of the business strategy and the annual plans ensure that the Company initiates a mid-course correction should the situation so warrant. The long-term business strategy comprises:

- Fortifying presence in select verticals
- Focusing on products quality
- Diversifying presence across different sectors and countries to reduce cyclical risk
- Concentrating on road projects in Oman, Saudi Arabia, Libya and the Central Asian nations of Kazakhstan and Kyrgyzstan to take the Company's current 8% global revenue share to 25% in five years
- Entering newer verticals and international geographies aided by the partnership with Isolux (Spain)

Competition risks

Risk impact

Increasing competition from domestic and international companies could affect market share and profitability

Risk mitigation

To overcome competition, C & C Constructions has and will continue to:

- Use newer technologies, methods and provide better client services
- Forge alliances with domestic and international players to raise its pre-qualification capability and bid for large national and international projects
- Shift business strategy from bidding for small projects where the risk of larger reduction in price exists, to larger projects
- Reinforce its net worth to enhance its pre-qualification capability

Liquidity risks

Risk impact

To a large extent, cash flow is dependent on the credit terms extended to clients and the effective recovery of dues. Any delay could have a direct impact on liquidity, operations and earnings.

Risk mitigation

- The Company takes effective measures to collect outstanding dues from clients through effective follow-up interventions. The debtors' collection period reduced from 170 days of turnover equivalent in 2008-09 to 49 days in 2009-10, indicating enhanced collection efficiency and debtor credibility.
- The Company follows up with government departments (major debtors) and others to ensure smooth funds inflow. Short-term gaps are bridged with additional working capital facilities from banks.
- The Company's entry into a larger number of projects across different verticals will result in better utilisation of assets and hence spread fixed costs across a larger operating volume, thereby reducing the need for fresh working capital.

Government policy risks

Risk impact

Uncertainties in government policies can affect operations

Risk mitigation

The government prioritised infrastructure investments, limiting policy risk. It earmarked over USD 510 billion for infrastructure investments in the Eleventh Five Year Plan and is seeking to create a Rs. 50,000-cr infrastructure fund to be subscribed by foreign and domestic institutional investors. The residual risk is managed through cost control, limiting adverse policy changes and taking proactive action to adapt and insulate the Company's business.

Inflation risks

Risk impact

Volatility in prices of inputs and/or changes in assumptions may cause cost overruns, affecting profitability. Besides, delay in completion of projects could result in liquidated damages and/or additional costs, hampering business.

Risk mitigation

- The Company generally signs contracts with inbuilt escalation clauses, which compensate any input cost increase. In the case of non-escalation contracts, the bid estimate process insulates any possible increase in input cost. The Company also implemented adequate procurement procedures that include long-term contracts to cover price volatilities, regular augmentation of storage facilities for stocking of materials and a careful review and monitoring of the carrying cost of raw materials. Moreover, there is a system of proper contract tendering, which minimises cost overruns.
- The Company exercises adequate control on daily project management and monitors project execution to achieve milestones and alert clients in case of delays. Sophisticated project management tools are extensively used to control delivery schedules.

Operations risks

Risk impact

A substantial portion of the Company's projects are located in Bihar and Afghanistan. Any militant activity or political disturbances may materially affect the Company's operations in Afghanistan.

Risk mitigation

- C & C Constructions is among a handful of construction companies to be actively present in contributing to the rebuilding efforts of Afghanistan, which represents a robust first movers' advantage.
- The Company has been present in Afghanistan for the past seven years and this rich presence has enabled it to create strong relationships with local communities.

- Being deeply entrenched in Afghanistan enables superior ability to mobilise equipment and human resources and in doing so, created a strong brand equity for the Company.

REVIEW OF OUR KEY FINANCIAL METRICS

FINANCIAL SNAPSHOT

(Rs. in cr)

	2009-10	2008-09	GROWTH
Income from operations	1,168.45	750.13	55.77%
EBIDTA	218.54	123.91	76.37%
PAT	69.09	41.10	68.09%
Cash profit	113.87	66.04	72.42%
Earning per share (Rs.)	35.67	22.51	58.47%
ROCE (%)	15.83	12.87	296 basis points
RONW (%)	15.76	12.49	327 basis points
EBIDTA margin (%)	18.70	16.52	218 basis points

Analysis of the profit and loss account

Income from operations: The Company's income from operation registered a growth of 56% from Rs. 750.13 cr in 2008-09 to Rs. 1,168.45 cr in 2009-10. The break-up of the revenue generated during the year is given below:

GEOGRAPHICAL BREAK-UP OF REVENUE (%)

	Roads	Buildings	Railways	Water	Transmission	Total
2009-10	91%	7%	1%	1%	0%	100%
2008-09	89%	11%	0%	0%	0%	100%

VERTICAL WISE REVENUE (%)

	Bihar	Punjab and Haryana	Overseas	Others	Total
2009-10	49%	30%	8%	13%	100%
2008-09	39%	41%	13%	7%	100%

Expenses

The Company's total expenses, constituted by operating expenses and financial expenses, grew 52% from Rs. 673.63 cr in 2008-09 to Rs. 1,022.86 cr in 2009-10.

Operating expenses: The operating expenses of the firm registered a growth of 52% from Rs. 626.22 cr in 2008-09 to Rs. 949.91 cr in 2009-10. The increase in expenditure was on account of growth in scale of operations.

(Rs. in cr)

Costs	2009-10	% of Revenue	2008-09	% of Revenue	Y-o-Y Growth
Construction expenses	766.91	65.64%	513.96	68.52%	49.22%
Staff expenses	122.32	10.47%	64.64	8.62%	89.23%
General and administration expenses	60.68	5.19%	47.63	6.35%	27.40%
Total	949.91	81.30%	626.22	83.48%	51.69%

Construction expenses: The construction expenses of the firm registered a 49.22% increase from Rs. 513.96 cr in 2008-09 to Rs. 766.91 cr in 2009-10. The construction expenses comprised raw materials and spares cost of Rs. 556.53 cr and project execution expenses at Rs. 210.39 cr.

Staff expenses: The Company's staff expenses increased from Rs. 64.64 cr in 2008-09 to Rs. 122.32 cr in 2009-10 growing 89.23%. The increase in staff expenses of the Company was on account of growth in the number of employees. We have 2,888 employees in the Company and 5,854 employed in our joint venture.

General and administration expenses: These expenses comprise the general day-to-day expenses of the Company including travelling, rent, rates, bank charges, legal expenses and other professional charges. General and administration expenses rose 27.40% from Rs. 47.63 cr in 2008-09 to Rs. 60.68 cr in 2009-10.

Financial expenses: The Company's financial expenses comprising interest on term loans and others increased from Rs. 47.41 cr in 2008-09 to Rs. 72.94 cr in 2009-10. The average cost of debt of the firm stood at 11.07% in 2009-10 against 10.78% in 2008-09.

In line with industry practice, the Company reclassified the charges on bank guarantee and bank processing charges amounting to Rs. 17.29 cr to general and administration expenses. Similarly charges on issue of Letters of Credit and discounting of suppliers' bill amounting to Rs. 21.43 cr was included in material costs.

ANALYSIS OF THE BALANCE SHEET

Sources of fund

Capital employed: The total capital employed by the Company registered a growth of 29.07% from Rs. 958.17 cr in 2008-09 to Rs. 1,236.69 cr in 2009-10 following an increase in the reserves. The capital employed was divided between net worth (42.66%) and loan funds (57.34%).

Net worth: The Company's net worth comprised equity share capital and reserves. Reserves constituted 95.57% of the total shareholders' fund. Net worth increased from Rs. 349.23 cr in 2008-09 to Rs. 527.56 cr in 2009-10. Net worth, as a percentage of capital employed, also increased from 36.45% in 2008-09 to 42.66% in 2009-10.

Share capital: The Company's share capital stood at Rs. 23.39 cr comprising 2,33,89,260 shares of Rs. 10 each.

Reserves and surplus: The Company's reserves and surplus increased 52.33% from Rs. 330.97 cr in 2008-09 to Rs. 504.17 cr in 2009-10.

External funds: The Company's external funds of the Company comprising secured loans, increased 16.45% from Rs. 608.94 cr in 2008-09 to Rs. 709.13 cr in 2009-10.

Deferred tax liability: The Company's deferred tax liability increased from Rs. 15.94 cr in 2008-09 to Rs. 36.97 cr in 2009-10.

Application of funds

Gross block: The Company's gross block reflects its competitive edge in terms of scalability and technological capability. The Company's gross block increased 24.59% from Rs. 399.98 cr in 2008-09 to Rs. 498.32 cr in 2009-10.

Accumulated Depreciation: The Company's accumulated depreciation increased from Rs. 83.83 cr in 2008-09 to Rs. 124.60 cr in 2009-10 owing to growth in the gross block

Investment: The Company's investments comprised investments in the equity shares of listed companies and its subsidiaries. Investments increased 202.13% from Rs. 49.70 cr in 2008-09 to Rs. 150.16 cr in 2009-10.

In the financial year under report, the Company invested a sum of Rs. 78.34 cr in its subsidiary C & C Realtors Ltd, a sum of Rs. 20.62 cr in equity shares of other companies and Rs. 1.50 cr in SBI Mutual Fund.

Net working capital: The net working capital outlay marginally increased from Rs. 598.36 cr in 2008-09 to Rs. 740.12 cr, registering a growth of 23.69%.

Inventory: Inventory increased from Rs. 340.81 cr in 2008-09 to Rs. 868.44 cr in 2009-10 registering a growth of 154.82%. The increase was primarily on account of increase of work-in-progress from Rs. 214.11 cr in 2008-09 to Rs. 717.70 cr in 2009-10. Inventory constituted 65.42% of the total current assets of the Company.

The Company thrust on execution necessitates a higher than average inventory holding level. It also ensures that the growth momentum is maintained.

Debtors: Debtors constituted 12% of the Company's total current assets. It reduced from Rs. 349.66 cr in 2008-09 to Rs. 156.06 cr in 2009-10, registering a decline of 55.37% on account of the adoption of superior debt management practices. All debtors of the Company are considered good.

Loans and advances: Loans and advances constituted 17% of the total current assets, declining from Rs. 306.57 cr in 2008-09 to Rs. 225.99 cr in 2009-10. This comprised advances to subsidiary companies, balances with JV, advance tax and others.

The excess balance with our joint venture reduced from Rs. 71.92 cr in 2008-09 to Rs. 39.90 cr in 2009-10.

Cash-and-bank-balance: The Company's cash-and-bank balance reduced 9.15% from Rs. 84.74 cr in 2008-09 to Rs. 76.99 cr in 2009-10.

Current liabilities and provisions: The total current liabilities and provisions of the Company increased 21.50% from Rs. 483.43 cr to Rs. 587.35 cr. The Company's creditors increased 36.71% from Rs. 221.27 cr in 2008-09 to Rs. 302.50 cr in 2009-10 on account of growth in purchases of raw materials due to increase in scale of business operations.

RATIO ANALYSIS

EBITDA

The Company's EBITDA increased from Rs. 123.91 cr in 2008-09 to Rs. 218.54 cr in 2009-10 registering, a growth of 76.37%. The EBITDA margin increased 218 basis points from 16.52% to 18.70%.

Cash profit

The Company's cash profit increased from Rs. 66.04 cr in 2008-09 to Rs. 113.87 cr in 2009-10. The cash profit margin also increased from 8.80% to 9.75%. The increase was on account of increase in depreciation charges of the Company. The Company's BOT (build-operate-transfer) projects are in various stages of completion and once executed, will enable it to strengthen cash flows, use the leverage to efficiently manage debt and grow overall profitability levels.

Return on average capital employed (ROCE)

The ROCE of the firm improved from 12.87% in 2008-09 to 15.83% in 2009-10. The improved ROCE indicates improvement in the efficiency of the Company at the operating level.

Return on average net worth (RONW)

The RONW of the firm improved from 12.49% in 2008-09 to 15.76% in 2009-10. This was possible as the growth in profit after tax of the Company was higher than growth in the net worth.

Return on average net block (RONB)

The RONB indicates the management's ability to efficiently utilise the Company's assets and equipment to generate revenue. The Company's RONB increased from 16.13% in 2008-09 to 20.03% in 2009-10. The increase was on account of higher revenue generated by the firm during the year relative to lower investments in gross block.

Net working capital cycle

The net working capital cycle of the firm reduced from 250 days in 2008-09 to 207 days in 2009-10.

Inventory cycle

The Company's inventory cycle increased from 166 days in 2008-09 to 271 days in 2009-10. The increase was on account of increase in inventory by 154.82% which indicates that a huge amount of inventory is still unfinished, which is normal for the large scale and size of the Company's infrastructural operations.

This also ensures timely completion of projects with continued thrust on execution and growth.

Debtors' cycle

The debtors' cycle of the firm indicates its ability to quickly sell finished goods and recover money so that new inventory can be bought with the amount. The cycle of the firm reduced from 170 days in 2008-09 to 49 days in 2009-10. The reduction in the debtors' cycle indicates adoption of superior debtor management practices.

Current ratio

The firm's current ratio increased from 2.24 in 2008-09 to 2.26 in 2009-10 due to an increase in inventory.

Debt/equity

The Company managed to reduce its debt equity ratio to a considerable level from 1.74 in 2008-09 to 1.34 in 2009-10. The decline is on account of increase in share capital and reserves. A minimal growth in debt reflects the firm's intention to reduce its leverage and increase profits available to shareholders.

Interest coverage ratio

Interest coverage ratio increased from 2.38 in 2008-09 to 2.09 in 2009-10. This indicates that the firm has managed to reduce its interest burden and maximise profits available to the shareholders. The Company reduced its debt proportion in the capital employed from 63.55% to 57.34%, indicates a reduction in its financial leverage.

MANAGEMENT DISCUSSION AND ANALYSIS

Indian economy – a glance

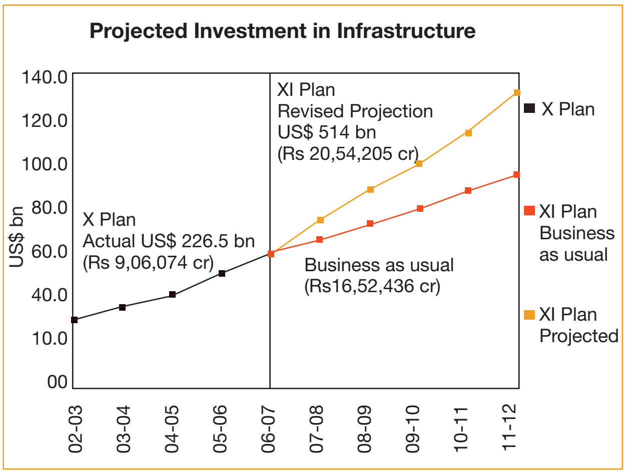
India was among the world's first few countries to implement a broad-based counter-slowdown policy resulting in a gross domestic product (GDP) growth of 7.4% for 2009-10.

Union Budget – A macroeconomic perspective

The Union Budget 2010-11 was presented at a time when the Indian economy was reviving and almost all demand indicators had turned positive. The continued thrust on agriculture, infrastructure and rural development will unlock much of the economic growth potential in the medium-term. Along with maintaining focus on broad-based growth, the Budget also addressed concerns on the fiscal deficit front. The direct tax concessions in the form of broadening of tax slabs will put more money in the hands of individual taxpayers, boosting consumption as well as saving. Although the excise duty rates have been hiked, they still remain lower than the pre-crisis level and should not be a deterrent to the process of economic recovery. This largely-expected roll back of stimulus measures is likely to impact different sectors in varying degrees. Broadly speaking, given that overall demand in the economy is still firming up, it is unlikely that the 2% hike in excise duty will be passed on, mitigating any immediate inflationary concerns. Also, the focus on improving food security should aid in containing food price inflation. It remains to be seen however, how the proposed increase in excise duty for petrol and diesel pans out in terms of its impact on inflation.

Indian infrastructure industry

The infrastructure sector accounts for 26.7% of India's industrial output. India's infrastructure sector output grew 5.1% in April 2010 compared with April 2009. During the 2009-10, the country's core sector output rose 5.5% (3% a year ago). An investment of Rs. 20,56,150 cr or USD 514.04 billion was projected for the Eleventh Five Year Plan (2007-2012) in the country's infrastructure.



INVESTMENT BY CENTRE, STATES AND THE PRIVATE SECTOR

(RS. CR AT 2006-07 PRICES) (% SHARE IN BRACKETS)

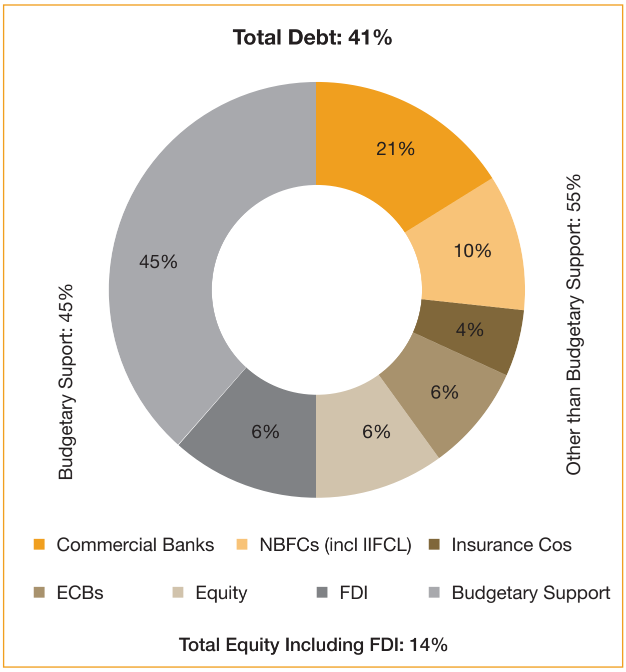
	Tenth Plan	Eleventh Plan
Centre	370,381 (41)	690,926 (34)
States	310,473 (34)	620,367 (30)
Private	225,220 (25)	742,912 (36)
Total	906,074	2,054,205

"The Eleventh Plan had estimated that we would need to invest over Rs. 20 lakh cr in infrastructure over the five year period. This was more than double the realized investment during the Tenth Plan period. The Plan also recognized that such a large investment in infrastructure could not be funded from public resources alone...... The strategy for infrastructure development therefore involved combination of public investment supplemented by private investments where feasible."

Dr. Manmohan Singh, Hon'ble Prime Minister of India

Financing the Eleventh Plan (first three years)

As per preliminary estimates, Rs. 12,73,557 cr of infrastructure investment (at current prices) is required in two years.



Financial support to PPPs

- Viability Gap Funding (VGF) up to 20% of capital costs based on bidding
- Around 159 central and state projects with an investment of Rs. 1,77,365 cr (USD 44 bn) were cleared with a VGF commitment of Rs. 51,629 cr (USD 13 bn).
- India Infrastructure Finance Company (IIFCL) provides upto 20% of capital costs as long-term debt for viable projects
- IIFCL sanctioned Rs. 21,000 cr. (USD 5 bn) for 125 projects

State level initiatives

- States initiated several PPP projects
- State PPP projects avail up to 20% of capital costs as VGF grant from the Central Government
- States are also availing up to 20% of capital costs as long-term loans from IIFCL
- The Planning Commission provides technical assistance
- The Finance Ministry provides assistance for capacity building

In the Union Budget 2010-11, Rs.1, 73,552 cr (USD 37.57 billion) was provided for infrastructure development (over 46% of the total Plan allocation).

Mid-term appraisal of Eleventh Plan (2007-12) infrastructure investments

Sector	Eleventh Plan projection (Rs. lakh cr)	Eleventh Plan revised projections in March,2010 (Rs. lakh cr)	Achievement expected (%)
Electricity	6.67	6.59	99
Roads and bridges	3.14	2.79	89
Telecom	2.58	3.45	134
Railways	2.62	2.01	77
Irrigation	2.53	2.46	97
Water supply and sanitation	1.44	1.12	78
Ports	0.88	0.40	45
Airports	0.31	0.36	116
Storage	0.22	0.09	41
Oil and gas pipelines	0.17	1.27	747
Total	20.56	20.54	99.9

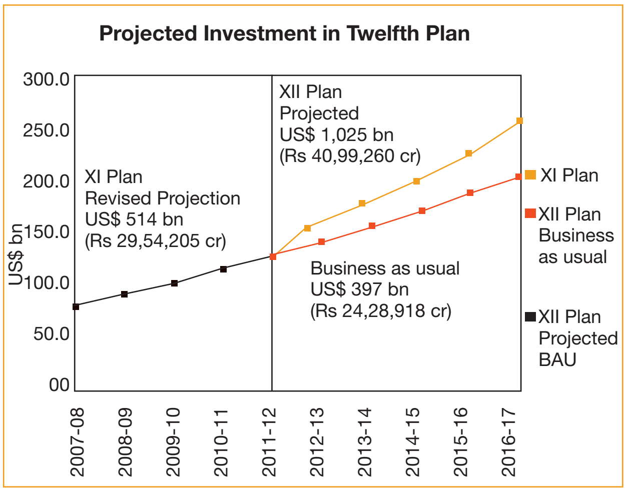
The government started using gross capital formation in infrastructure (GCFI), as a percentage of GDP, as standard measure of performance evaluation. The GCFI is likely to rise from 5.08% of the GDP in the Tenth Plan to about 7.55% in the Eleventh Plan, compared with the initial target of 7.6%. The private sector share in total investment is expected to go up to 36% in the Eleventh Plan, from 25% during the Tenth Plan. During the Twelfth Plan (2012-17), a target was set to achieve the growth rate of 10% with an investment in infrastructure of Rs. 41 lakh cr (USD 1,025 billion).

INDIA'S INFRASTRUCTURE INVESTMENTS

(USD billion)

Tenth Plan	Eleventh Plan	Twelfth Plan
217.86	514.04	1,018.74

Projected investment in Twelfth Plan



Industry structure and developments

The construction sector is expected to be the biggest beneficiary of infrastructure expansion. In ten years, India is projected to graduate from the world's ninth largest construction market to the third (Source: A Decadal Forecast from Global Construction Perspectives and Oxford Economics). By 2020, the country's construction market will be worth almost USD 650 million (5% of the world's total construction output). A cumulative capex of Rs. 14,500 billion is required in the Eleventh Five Year Plan for structural infrastructure construction across all sectors. Housing construction and surface transportation (roads) are expected to remain the major growth drivers of this sector.

Roads and highways

An efficient road network is necessary both for national integration as well as for socio-economic development for a country of India's size. India has the world's second largest road network, aggregating over 3.34 million km. Roads carry 61% freight and 85% of the passenger traffic. National highways accounts for only 2% of the road network but carry 40% of the traffic.

The Union Government increased fund allocation for national highway projects for various states during 2009-10 over 2008-09. For improving existing highways, the government provided Rs. 4.33 billion to UP during 2009-10 (Rs. 2.24 billion in 2008-09). Amongst other states, Orissa received Rs. 3.34 billion, Maharashtra received Rs. 3.27 billion, Karnataka received Rs. 3.05 billion and Bihar received Rs. 2.45 billion during 2009-10.

The Ministry of Rural Development allocated Rs. 220 billion for the development of rural roads under the PMGSY during 2010-11. The amount includes a Rs. 100-billion loan from the National Bank for Agriculture and Rural Development under the internal and extra-budgetary resource component. The Ministry targets connecting 6,000 habitations with the development of over 34,000 km of rural roads during 2010-11. Of this, over 19,000 km will be under new connectivity and the remaining under the upgradation package.

The coupon rate on the 54EC tax-free bonds issued by the National Highway Authority of India (NHAI) was reduced from 6.25% to 6%. NHAI plans to issue these bonds worth Rs. 40 billion during 2010-2011.

Government policy

- 100% FDI in all road development projects under automatic route
- 100% tax exemption for a period of ten years
- NHAI agreeable to provide grants/ viability gap funding for marginal projects
- IIFCL to provide funding up to 20% of project cost
- An increase in the overseas borrowing amount of infrastructure sectors to USD 500 million from USD 100 million

Target for Eleventh Plan

- Six-laning 6,500 km of Golden Quadrilateral and selected national highways
- Four-laning 6,736 km on North-South and East-West corridors
- Four-laning 20,000 km of national highways
- Widening 20,000 km of national highways of two lanes
- Developing 1,000 km of Expressways
- Constructing 8,737 km of roads including 3,846 km of highways in the North-East
- Constructing 1,29,707 km of new rural roads, and renewing and upgrading existing 1,77,726 km of roads, covering 60,638 rural habitations

Sector	Total Investment in Tenth Plan (actuals)		Sectoral share	Total investment in Eleventh Plan (planned)		Sectoral share	Change
	(Rs. bn)	(USD bn)	(%)	(Rs. bn)	(USD bn)	(%)	(%)
Roads	1,449	34.9	16.6	3,142	75.7	15.3	116.8

(Source: Planning commission, Government of India)
Note: Exchange rate for conversion is taken at Rs. 41.5/USD
(Source: NHAI, CRISIL, IBEF, Economic survey, infrastructure.gov.in)

Budget 2010, highlights

- Allocation for road transport increased by over 13% from Rs. 175.20 bn to Rs. 198.94 bn
- Allocation of Rs.7 bn for development of national highways under Border Roads Organisation
- Specified road construction machinery items are currently fully exempt from customs duty, subject to specified conditions. Sale or disposal of such machinery items at depreciated value is being allowed on payment of customs duties on depreciated value at the rates applicable at the time of import subject to specified conditions
- Allocation of Rs. 17.50 bn for Special Accelerated Road Development Project in the North Eastern Region
- Allocation of Rs. 94.72 bn for National Highways Authority of India
- Allocation of Rs. 2.30 bn for inter-state and economically important roads in different states and UTs
- Allocation of Rs. 45.75 bn for development of national highways

Impact analysis

The plan allocation for the infrastructure sector (around 46% of the total plan allocation) points towards continued thrust on the infrastructure sector provided by the Union budget FGY11. The increased allocation for NHDP programme and railways, along with granting of the project imports status to Mono Rail Projects for urban transport and allowing the resale of certain road construction machinery, is expected to provide an impetus to the transportation sector. Tax deduction provided for investment in long-term infrastructure bonds notified by the Central Government is likely to promote savings and direct resources towards infrastructure development. The substantial increase in allocation for Rajiv Awas Yojana (RAY) – which aims to create a slum-free India at the earliest – is likely to play a pivotal role in urban infrastructure development. The infrastructure sector is likely to benefit from the substantial increase in sectoral budgetary allocation, both rural and urban.

Optimism

Annual growth is projected at 12-15% for passenger traffic and 15-18% for passenger traffic. NHAI proposes to award around 12,000 km of road building contracts to the private sector in 2010-11. NHAI plans to increase road building outlay for 2010-11 by 64.6% to Rs. 47,736 cr. According to the Planning Commission, road freight industry will grow at 9.9% CAGR from 2007-08 to 2011-12. India intends to award 7,000 km of road construction on BOT basis and 5,000 km on EPC basis in 2010-11. The Indian government launched the ambitious NHDP, involving a total investment of USD 54.1 billion up to 2012.

Size

- India has an extensive road network of 3.3 million km, second largest in the world
- India's roads carry about 61% of the freight and 85% of the passenger traffic
- Highways/expressways constitute about 66,590 km (2% of all roads) and carry 40% of the road traffic
- The government's ambitious National Highways Development Project (NHDP) is at an advanced stage of implementation. Key sub-projects under the NHDP include: the Golden Quadrilateral (GQ-5,846 km of four lane highways), North-South and East-West corridors (NSEW-7,142 km of four lane highways) and four-laning of 12,109 km under NHDP-III

Structure

- National Highways Authority of India (NHAI) is the apex government body for implementing the NHDP. All contracts, whether for construction or BOT, are awarded through competitive bidding
- Private sector participation is increasing through:
  - Construction contracts
  - BOT* for some stretches, based on either the lowest annuity or the lowest lump sum payment from the government

* BOT contracts permit tolling on those stretches of the NHDP

NHDP financing source

- Creation of non-lapsable and dedicated central road fund for financing road sector and crediting cess on diesel and petrol therein
- Securitisation of cess (market borrowings on strength of future inflow of cess)
- Involvement of private sector and encouraging public-private partnerships
- Availing long-term external loans from the World bank and Asian development bank
- Toll taxes for roads

Power industry

Economic development is driven by power supply. The ambitious agenda of 'Power for All – 2012' set by the Indian Power Ministry, expects to deliver uninterrupted power for all through the optimal utilisation of energy resources and implementing efficient technologies in generating, transmitting and distributing power.

According to the Central Electricity Authority (CEA), India's installed capacity of electricity generation expanded from 105,045.96 MW at the end of 2001-02 to 156,092.23 MW at the end of December 2009. India ranks sixth globally in terms of total electricity generation. Source-wise, at the end of December 2009, thermal power plants accounted for an overwhelming 64% of the total installed capacity, producing 99,861.48 MW.

Although India's power sector grew considerably, growth in electricity demand surpassed generation. In the Eleventh Five Year Plan, a capacity addition target of 78,700 MW was proposed with growing private sector involvement: from less than 2,000 MW in the Tenth Plan to more than 20,000 MW capacity addition in the Eleventh Plan.

Growth potential

- The government revised its target of power capacity addition to 92,700 MW in the Eleventh Five Year Plan (2007-12), from the earlier estimate of 78,577 MW (as of June 2007).
- The government earmarked a total capital subsidy of USD 6.88 billion for providing electricity connections and distribution of infrastructure to rural households.

Capacity addition

The all-India installed power generation capacity as on 31 January 2010 stood at 1,56,783.98 MW.

CAPACITY BREAK-UP

Nature of energy	Installed capacity (MW)
Thermal	1,00,351.48
Hydro	36,885.40
Nuclear	4,120
Renewable	15,427.10
Total	1,56,783.98

Transmission

Transmission projects continue to be accorded a high priority in the context of the need to evacuate power from generating stations to load centres, systems strengthening and creation of national grid. Construction targets of the Powergrid's transmission projects for 2009-10 and the achievements up to 30 November, 2009 are summarised below:

Parameter	MOU target	Achievement up to November 30, 2009	Percentage of achievement
Commissioned/ ckt. km	7,500	1,360	18%
Transformation capacity addition/ready for commissioning (MVA)	10,000	4,140	41%

Source: Ministry of Power

Distribution

The Cabinet Committee on Economic Affairs (CCEA) approved the 'Re-structured APDRP' for Eleventh Plan as a Central sector scheme in its meeting held on July 2008. The focus of the programme is on actual, demonstrable performance in terms of AT&C loss reduction.

Segment-wise performance

The Company operates five business verticals comprising roads, buildings, railways, water and sewerage treatment and transmission. This diversified portfolio not only enables it to participate in a larger framework and hence maximise opportunity creation but also protect profitability in the event of sectoral slowdowns.

For a detailed insight into our various business segments and their prospects, please refer to the 'business segment review' detailed elsewhere in this report.

Opportunities

- Presence in one of the fastest growing economies of the world with a population pool of over 1.1 billion
- Country marked by a strong 'infrastructural deficit' and growing urgent need to bridge the gap between demand and availability
- Continued Government focus on increasing investments into infrastructure asset creation as well as for ramping up existing infrastructure
- Increasing technological sophistication enhancing execution quality and speeding up the overall developmental cycle

Threats

- Competition from both unorganised and other organised players, leading to difficulties in improving market share.
- Volatile prices of key raw material resources
- Shortage of raw materials and other primary inputs (equipment and manpower)
- High interest costs dampening ability to mobilise low-cost funds
- Stringent regulatory norms regarding concerns over the environment

Financial and operational performance

C & C Construction's income from operations increased 55.77% to Rs 1,168.45 cr from Rs 750.13 cr in 2008-09. The company's EBIDTA increased to Rs 218.54 cr from Rs 123.91 cr in 2008-09. The company's PAT rose by 68.09% to Rs 69.09 cr from Rs 41.10 cr in 2008-09. During 2009-10, the Company's ROCE increased 296 basis points to 15.83%, RONW jumped 327 basis points to 15.76% and EBIDTA rose by 218 basis points to 18.70%.

Risks and concerns

C & C Constructions follows a process of risk management that comprises risk identification, risk analysis and measurement followed by the design of suitable risk mitigation or management framework covering control activities/procedures. The key risks identified by the business and accompanied mitigation plans include the following: To review periodically the operating effectiveness of the internal controls, the company has an internal audit process, which is commensurate to the size and nature of the business. Corrective actions, wherever necessary, are taken to further strengthen the internal control mechanism.

Material developments in human resources/ industrial relations front, including number of people employed

The Company believes that its people are a key differentiator, especially in a knowledge-driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. Fundamental human resource processes which enable higher performance orientation, speed, skill and competency development, talent management and human asset refreshal are cornerstones for the success of any organisation.

As in the past, the industrial relations continued to remain cordial across the Company. There was no strike or labour unrest during the period under review. As on 30 June, 2010 the Company possessed an employee base of 2,888 members.

Outlook

We have one of the most diversified business portfolios, which will help us in mitigating the risk of slowdown in any one particular segment. During the past years, we have executed various construction projects all over the country. The client list of the Company includes reputed organisations in public and private sectors. The Company has developed excellent engineering, planning and project execution skills during this period. It is well recognised for quality consciousness and timely completion of the projects without cost over-run. The track record of the Company and proven skills of its employees at various levels will be useful in further improving the performance of the Company in the years to come.

Internal control systems and their adequacy

The Company has adequate system of internal controls to ensure that all the assets are safeguarded and are productive. Checks and balances are in place and are reviewed at regular intervals to ensure that transactions are properly authorised and reported correctly.

Cautionary statement

The statements in the management discussion and analysis report describing the Company's objectives, plans, projections, estimates and expectations may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement, depending on the circumstances.

Directors' Report

Dear Shareholders,

We are pleased to present the 14th annual report along with the audited accounts of your Company for the year ended 30 June, 2010, during which your Company was able to further strengthen all its businesses to emerge stronger than ever before.

FINANCIAL RESULTS

(Rs. in cr)

	2009-10	2008-09
Gross sales	1,168.45	750.13
Total income	1,175.91	755.37
Profit before interest, depreciation and taxation	226.00	129.15
Interest	72.94	47.41
Profit before depreciation and taxation	153.06	81.74
Depreciation	44.78	24.94
Net profit before taxation	108.28	56.80
Taxation	39.19	15.70
Net profit	69.09	41.10
Profit brought forward from last year	137.60	109.88
Profit available for appropriations	206.69	150.98
Appropriations		
Transfer to General Reserve	7.50	7.50
Dividend on equity shares	6.43	5.02
Corporate dividend tax	1.07	0.85
Balance carried to balance sheet	191.69	137.60
Total	206.69	150.98
EPS (Rs.)	35.67	22.51

DIVIDEND

Subject to the shareholders' and other requisite approvals, your Directors recommend payment of a dividend of Rs 2.75 per equity share of Rs 10 each (27.5%) for the year ended 30 June, 2010. The cash outflow on account of dividend on equity capital and dividend tax works out to Rs. 7.50 cr.

OPERATIONAL PERFORMANCE

You will be happy to note that your Company registered a growth in turnover of 56% from Rs 755 cr in 2008-09 to Rs 1,176 cr in 2009-10. Gross profit before interest, depreciation and taxation increased 75% from Rs 129 cr in 2008-09 to Rs 226 cr in 2009-10. After deducting an interest of Rs 73 cr, providing a depreciation of Rs 45 cr and income tax provision of Rs 39 cr, the operations resulted in a net profit of Rs 69 cr as against Rs 41 cr in 2008-09.

You will be glad to note that your Company, for the first time, crossed the landmark Rs 1,000 cr in turnover in 2009-10.

SHARE CAPITAL

Your Company increased its authorised share capital from Rs 20.00 cr as on 30 June 2009 to Rs 30.00 cr as on 30 June 2010. This is in line with growing operations necessitating the prospective need for infusion of fresh capital in the business.

During the year under review, the Company raised Rs. 76.87 cr through Qualified Institutional Placement (QIP). The shares issued under QIP were allotted at Rs. 243.80 per equity share. The Company also raised Rs. 50.00 cr by preferential allotment of equity shares made to promoters/ entities of the promoter group upon conversion of warrants. The equity shares issued to the promoters/ entities of the promoter group upon conversion of warrants were allotted at Rs. 253.00 per equity share.

In July 2010, the Company also issued 5,00,00,000 compulsory convertible preference shares of face value Rs. 10 to IL&FS Trust Company Ltd (acting as the sole trustee for India Venture Trust) amounting to Rs. 50.00 cr on a preferential placement basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate report on the management discussion and analysis, pursuant to Clause 41 of the Listing Agreement, forms a part of this annual report. Please refer to the same for a comprehensive understanding of the prospects of the infrastructural segments and industries catered to by your Company.

CASH FLOW ANALYSIS

In conformity with the provisions of Clause 32 of the Listing Agreement, the cash flow statement for the year ended 30 June, 2010 is included in the annual accounts.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- In the preparation of the annual accounts for the year ended 30 June, 2010, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- We have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 30 June 2010 and of the profit for the year ended on that date;
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The accounts for the year ended June 30, 2010 have been prepared on a going-concern basis;

DISCLOSURES

Deposits

During the year, the Company did not accept any public deposits.

Directors

Mr. Sanjay Gupta, Mr. Rajendra Mohan Aggarwal, Mr. Anand Bordia and Mr. Deepak Dasgupta retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Mr. Kanwal Monga, who was an Independent Director of the Company resigned from the directorship of the Company from 14 July, 2010.

In terms of the Compulsory Convertible Preference Share Subscription and Investor Rights Agreement entered into by the Company with India Venture Trust, Mr. Arun Kumar Purwar was appointed as Additional Director with effect from 15 July, 2010. As per the provisions of Section 260 of the Companies Act, 1956, Mr. Arun Kumar Purwar holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company received notice in writing from a member under Section 257 of the Act, in respect of Mr. Purwar, proposing his appointment as a Director of the Company.

AUDITORS

M/s. ASG & Associates, Chartered Accountants, New Delhi, the Statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The Company's core activity is civil construction, which is not power intensive. However, your Company takes every effort to conserve the usage of power at its sites and offices. Details regarding, foreign exchange earnings and outgo are furnished herein below, pursuant to the provisions of the Companies Act, 1956, read with the Companies (Disclosure of particulars to the Report of Board of Directors) Rules, 1988.

FOREIGN EXCHANGE EARNINGS AND OUTGO

THE DETAILS OF FOREIGN EXCHANGE EARNINGS:

	2009-10 (Rs.)	2008-09 (Rs.)
Overseas projects and others	93,98,96,009	99,16,18,753

THE DETAILS OF FOREIGN EXCHANGE OUTGO:

	2009-10 (Rs.)	2008-09 (Rs.)
Expenditure incurred on overseas contract	77,87,88,811	50,57,14,133
Traveling expenses, consultancy and others	44,16,451	34,18,414
	78,32,05,262	50,91,32,547

SUBSIDIARY COMPANIES

The standalone audited accounts of C and C Projects Ltd, C & C Realtors Ltd and C & C Towers Ltd, subsidiary companies, for the year ended 31March, 2010, and consolidated audited accounts with the Company for the year ended 30 June, 2010 are attached.

CORPORATE GOVERNANCE

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

CORPORATE SOCIAL RESPONSIBILITY

An essential component to your Company's corporate social responsibility is to care for the community. Your Company endeavours to make a positive contribution towards social causes by supporting a wide range of socio-economic and educational initiatives, and is committed to address important societal needs through philanthropic outreach programmes.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975, is enclosed as Annexure 'A' to this report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation and thanks for the valuable cooperation and support received from the employees of the Company at all levels, the Company's bankers, financial institutions, Central and State Government authorities, JV partners, clients, consultants, suppliers and members of the Company and look forward for the same in greater measure in the coming years.

By order of the Board

Chairman

Date: 27August, 2010

Place: Gurgaon

Annexure 'A'

Statement showing particulars of employees of the Company as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended up to date and forming part of the Directors' report for the year ended 30 June, 2010

Sl. No.	Name	Age	Designation	Gross remuneration received (Rs.)	Qualification	Experience in years	Date of commencement of employment	Particulars of last employment	Nature of Duties	%age of equity shares held
(A)	Employed throughout the year and were in receipt of remuneration aggregating not less than Rs. 24 lacs per annum									
1.	Mr. Gurjeet Singh Johar	61	Chairman	79,59,600	B.Com., F.C.A.	35	6 March, 1997	G. S. Johar & Co., Partner	Finance, Strategic Planning & Conceptualisation of all new project initiatives	0.43
2.	Mr. Charanbir Singh Sethi	52	Managing Director	79,59,600	B. Com	30	1 June, 2001	Oriental Structural Engineering Ltd	Construction Activities & Operations in Punjab, Himachal Pradesh & Afghanistan	9.82
3.	Mr. Rajbir Singh	54	Whole-time Director	79,68,960	B.A. (Economics)	32	6 March, 1997	Indian Army	Transmission & Quarrying	11.07
4	Mr. Sanjay Gupta	51	Whole-time Director	79,68,960	B.E. (Civil)	28	4 August, 2003	Oriental Structural Engineering Ltd	Operations in Afghanistan	1.98
5.	Mr. Amrit Pal Singh Chadha	48	Whole-time Director	79,68,960	M.Com	23	16 July,1996	Oriental Structural Engineering Ltd	Operations in Bihar	9.34
6.	Mr. Rajendra Mohan Aggarwal	66	Whole-time Director	79,58,145	B.E. (Civil), Post Graduate Diploma in Management	43	1 June, 2001	Oriental Structural Engineering Ltd	Technical & Tendering Process	1.58
7.	Mr. Tapash K. Majumdar	52	Chief Financial Officer	97,59,600	B.A. (Hons.) (Eco.), F.C.A.	25	9 November, 2006	Cornerstone Securities Ltd	Financial Affairs	0.00

8.	Mr. Anil Bhatia	55	Chief General Manager	39,71,760	B.E. (Civil)	24	15 April, 2007	BSC-C & C 'JV'	Operations of Zirakpur-Parwanoo Project	0.00
9	Mr. Ashok Kumar Agrawal	55	General Manager (Accounts)	23,00,310	M.Com., F.C.A	31	19 January, 2009	Jamna Auto Industries Ltd	In-charge of accounting affairs of the Company	0.00
10	Mr. Anurag Krishna	42	General Manager Commercial	22,99,403	B. Tech, MBA	18	6 May, 2009	DLF Laining 'O' Rourke India Ltd	In-charge of procurement, logistic and contract functions of the Company	0.00
11	Mr. H. L. Khurana	63	Senior General Manager	23,25,000	BE (Civil)	37	7 September, 2005	PWD, Punjab	In charge of technical aspect of the Company	0.00
12	Mr. Santosh Kumar Mishra*	55	Head Business Development	23,55,000	BE (Civil)	29	26 June, 2008	Hindustan Constructions Co. Ltd	In charge of new business initiatives of the Company	0.00
(B)	Employed for the part of the year under review and were in receipt of remuneration for any part of the year at a rate which in aggregate was not less than Rs. 2 lacs per month									
1.	Mr. Devendra Kumar Srivastava	49	Chief Project Manager	34,98,784	BE (Civil)	23	3 July, 2009	Hindustan Constructions Co. Ltd	Operations of Yamuna Expressway Project	0.00
2	Mr. Naresh Kumar Gupta	63	Executive Director	18,85,262	B. Tech (Electrical)	37	23 October, 2009	Angelique International Limited	In charge of the transmission business of the Company	0.00

Note: Mr. Gurjeet Singh Johar, Mr. Charanbir Singh Sethi and Mr. Rajbir Singh are related to each other. The nature of employment is contractual.

* Resigned with effect from 25 August, 2010.

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

The Company believes in setting the highest standards in good and ethical Corporate Governance practices while conducting its business, in addition to upholding the core concept of Corporate Governance and enhancing the long-term sustainable value for its shareholders.

Good Corporate Governance policies have further guided the Company to not only work towards the enhancement of shareholder value but for the overall betterment of all its stakeholders viz. its customers, creditors, employees and society at large.

2. BOARD OF DIRECTORS:

During the year ended 30 June, 2010, the Board of the Company comprised the Chairman, Managing Director, four Whole-Time Directors and six Non-Executive Directors.

2.1 Composition and category of Directors are as follows

Category	Name of Directors
Promoter and Executive Directors (Liable to retire by rotation)	1. Mr. Gurjeet Singh Johar 2. Mr. Charanbir Singh Sethi 3. Mr. Rajbir Singh 4. Mr. Sanjay Gupta 5. Mr. Amrit Pal Singh Chadha
Non-promoter and Executive Director (Liable to retire by rotation)	Mr. Rajendra Mohan Aggarwal
Independent Directors (Liable to retire by rotation)	1. Mr. Deepak Dasgupta 2. Mr. Anand Bordia 3. Mr. Kanwal Monga* 4. Mr. Ramesh Chandra Rekhi 5. Mr. Tarlochan Singh 6. Lt. Gen. H. S. Kanwar
Nominee Director of India Venture Trust	Mr. Arun Kumar Purwar**

For the information of the members there are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

* resigned from 14 July, 2010

** Appointed as an Additional Director from 15 July, 2010

2.2 Board meetings

During the year, five Board meetings were held on 30 September, 2009, 29 October, 2009, 25 January, 2010, 30 April, 2010 and 31 May, 2010.

The attendance of each Director at the Board meetings and at the last Annual General Meeting as well as the number of directorships and chairmanships/committee memberships of each Director in public limited companies other than in C & C Constructions Ltd. are furnished hereunder:

Name of Directors	Board meetings		Last Annual General Meeting attended	Directorships held in other companies		Committee membership held in other companies	
	Held	Attended		As Director	As Chairman	As member	As Chairman
Mr. Gurjeet Singh Johar	5	5	Yes	10	None	3	2
Mr. Charanbir Singh Sethi	5	5	Yes	6	None	1	None
Mr. Rajbir Singh	5	5	Yes	4	None	1	None
Mr. Sanjay Gupta	5	4	Yes	6	None	2	None
Mr. Amrit Pal Singh Chadha	5	5	Yes	4	None	1	None
Mr. Rajendra Mohan Aggarwal	5	4	Yes	None	None	None	None
Mr. Deepak Dasgupta	5	4	Yes	3	1	5	3
Mr. Anand Bordia	5	2	No	4	None	4	None
Mr. Kanwal Monga	5	0	No	2	None	1	None
Mr. Ramesh Chandra Rekhi	5	5	No	None	None	None	None
Mr. Tarlochan Singh	5	4	Yes	None	None	None	None
Lt. Gen. H. S. Kanwar	5	3	Yes	None	None	None	None

* Resigned from directorship from 14 July, 2010

3. AUDIT COMMITTEE

During the year, the Audit Committee comprised three Independent Non-Executive Directors and one Executive Director. The members of the committee are well versed in matters relating to finance, accounts and general management practices. The committee was constituted with following terms of reference

a) Overseeing the financial reporting process and the disclosure of financial information to ensure that the financial statements are correct, sufficient and credible

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

c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
   i) Any changes in accounting policies and practices
   ii) Major accounting entries based on exercise of judgment by management
   iii) Qualifications in draft audit report

iv) Significant adjustments arising out of audit
v) The going concern assumption
vi) Compliance with accounting standards
vii) Compliance with stock exchanges and legal requirements concerning financial statements

d) Any related party transactions i.e. transactions of the Company of material nature, with the promoters or the management and their subsidiaries or relatives, among others, that may have potential conflict with the interests of the Company at large

e) Reviewing with the management, external and internal auditors, the adequacy of internal control systems

f) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit

g) Discussing with internal auditors any significant findings and follow up there on

h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board

(i) Discussing with external auditors, before the audit commences, on the nature and scope of audit and after the audit to ascertain any area of concern

(j) Reviewing the Company's financial and risk management policies

k) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors

l) To monitor the utilisation of funds to be raised pursuant to issue

The constitution of the Audit Committee and details of meetings held during the year are as follows:

Name of Directors	Category	No. of meetings	
		Held	Attended
Mr. Anand Bordia	Non-Executive and Independent Director (Chairman)	4	3
Mr. Kanwal Monga*	Non-Executive and Independent Director	4	1
Mr. Ramesh Chandra Rekhi	Non-Executive and Independent Director	4	4
Mr. Gurjeet Singh Johar	Executive Director	4	4

* Resigned from the directorship of the Company on 14 July,

4. REMUNERATION COMMITTEE

The Remuneration Committee consists of Mr. Deepak Dasgupta, Mr. Anand Bordia and Lt. Gen. Harbans Singh Kanwar and is constituted with a view to recommend the remuneration payable to the Managing Director/Whole-time Directors, sitting fee payable to Non-Executive Directors and also the remuneration policy covering the remuneration payable to our senior executives.

The Remuneration Committee of the Board recommends the remuneration of the Executive Directors. The remuneration package is governed by the industry pattern and as per the provisions of the Companies Act, 1956. The sitting fee of Non-Executive Directors is approved at the Board meeting and is not paid to the Executive Directors for Board or committee meetings thereof. Necessary approvals were obtained from shareholders, wherever required. The members at the Annual General Meeting of the Company held on 24th December, 2009, approved the payment of commission to Directors of the Company or some or any of the them (other than Executive Directors like the Managing Director and Whole-time Directors) within 1% of the net profits of the Company, as computed under the applicable provisions of the Companies Act, 1956, which is payable from financial year 2010-11 based on their attendance at the Board and certain committee meetings.

The details of remuneration paid to all the Directors during the year ended on June 30, 2010, are as follows:

(Rs.)

Name of Directors	Service contract/ notice period	Salary	Allowances	Sitting fee
Mr. Gurjeet Singh Johar	Whole-time to retire by rotation	49,50,000	30,09,600	
Mr. Charanbir Singh Sethi	Whole-time to retire by rotation	49,50,000	30,09,600	
Mr. Rajbir Singh	Whole-time to retire by rotation	49,50,000	30,18,960	
Mr. Sanjay Gupta	Whole-time to retire by rotation	49,50,000	30,18,960	
Mr. Amrit Pal Singh Chadha	Whole-time to retire by rotation	49,50,000	30,18,960	
Mr. Rajendra Mohan Aggarwal	Whole-time to retire by rotation	49,50,000	30,08,145	
Mr. Deepak Dasgupta	Retire by rotation			1,40,000
Mr. Anand Bordia	Retire by rotation			2,60,000
Mr. Kanwal Monga*	Retire by rotation			20,000
Mr. Ramesh Chandra Rekhi	Retire by rotation			1,80,000
Mr. Tarlochan Singh	Retire by rotation			1,40,000
Lt. Gen. H. S. Kanwar	Retire by rotation			80,000

None of the Directors of the Company are related to each other except Mr. Gurjeet Singh Johar, Mr. Charanbir Singh Sethi and Mr. Rajbir Singh.

* Resigned from 14 July, 2010

5. INVESTORS' GRIEVANCE COMMITTEE

The Board of Directors constituted a Shareholders/ Investors Grievance Committee inter-alia to look after share transfer, issue of duplicate share certificates redressal of shareholders' complaints relating to the non-receipt of refund orders/declared dividend and annual reports among others.

The terms of reference of the Committee are as follows:

i) To approve the share transfer, transmission, transposition
ii) To approve the de-materialisation and re-materialisation of shares
iii) To approve the split, consolidation, renewal of share certificates
iv) To approve the issue of duplicate share certificates in lieu of lost, old, defaced, torn, destroyed share certificates
v) To approve the issue of share certificates in any other case
vi) To authorise any person for signing and sealing of share certificates
vii) To authorise for endorsement on share certificates and signing the same
viii) Any other matter as may be referred/delegated by the Board

The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investor services.

Other disclosures relating to shareholders aspects are furnished in the shareholder information section of the annual report.

The constitution of the Shareholders' Grievance Committee and details of its meeting held during the year are as follows:

Name of Directors	Category	No. of meetings	
		Held	Attended
Mr. Deepak Dasgupta	Non-Executive and Independent Director (Chairman)	4	3
Mr. Tarlochan Singh	Non-Executive and Independent Director	4	3
Mr. Sanjay Gupta,	Executive Director	4	3

Mr. Deepak Nathani, Company Secretary is the Compliance Officer.

Status of shareholders' complaints

Opening - 1
Total number of complaints received during the year ended June, 2010 - 23

Number of complaints that were resolved to the satisfaction of the Shareholders during the year ended June 2010- 24

Number of pending Complaints – 0

In order to expedite the process of share transfer, among others, the committee constituted a sub-committee, the Share Transfer Committee, comprising the following members:

a) Mr. Gurjeet Singh Johar
b) Mr. Charanbir Singh Sethi
c) Mr. Sanjay Gupta

The terms of reference of the sub-committee includes the following:

i) To approve the share transfer, transmission, transposition
ii) To approve the de-materialisation and re-materialisation of shares
iii) To approve the split, consolidation, renewal of share certificates
iv) To approve the issue of duplicate share certificates in lieu of lost, old, defaced, torn, destroyed share certificates
v) To approve the issue of share certificates in any other cases
vi) To authorise any person for signing and sealing of share certificates
vii) To authorise for endorsement on share certificates and signing the same
viii) Any other matter as may be referred/ delegated by the Committee

6. OTHER COMMITTEES OF THE BOARD

a) Finance Committee

The Board of Directors of the Company constituted a Finance Committee for day-to-day operations of the Company including the following matters

(i) To open and operate bank accounts
(ii) To authorise change in signatories
(iii) To give instructions relating to the transactions of the Company with the banks
(iv) To give necessary instructions for closure of bank accounts
(v) To issue/revalidate/cancel powers of attorney
(vi) To authorise persons to act on behalf of the Company
(vii) To invest the funds of the Company up to a limit of Rs. 100,00,00,000 in shares, debentures, mutual funds, FDRs and bonds of corporate bodies and government or semi-government agencies
(viii) To avail of loans, credit facilities, lease arrangements, inter corporate borrowings and other borrowings from banks/financial institutions up to a limit of Rs. 200 crores, as approved by the Company in the Extraordinary General Meeting held on 6 October, 2006
(ix) To accept the terms and conditions for availing the said financial assistance
(x) To authorise execution of documents and affix the common seal of the Company, wherever necessary
(xi) To request banks or financial institutions for disbursement of funds
(xii) To deal with matters of hire purchase among others from suppliers, in addition to banks/financial institutions
(xiii) To create security on the assets of the Company for availing of the above-mentioned facilities
(xiv) To do all acts, deeds and things, as may be required or considered necessary or incidental thereto
(xv) Any other related matters

The members of the Committee are:

1. Mr. Gurjeet Singh Johar
2. Mr. Charanbir Singh Sethi
3. Mr. Rajbir Singh
4. Mr. Sanjay Gupta
5. Mr. Amrit Pal Singh Chadha
6. Mr. Anand Bordia

In order to enable the Committee to exercise its powers for the availing increased demand of financial assistance, the Board of Directors at its meeting held on 30 April, 2009 changed the terms of reference as follows:

(i) To open and operate bank accounts.
(ii) To authorise change in signatories
(iii) To give instructions relating to the transactions of the Company with the banks
(iv) To give necessary instructions for closure of bank accounts
(v) To issue/revalidate/cancel powers of attorney
(vi) To authorise persons to act on behalf of the Company
(vii) To invest the funds of the Company up to a limit of Rs. 100,00,00,000 in shares, debentures, mutual funds, FDRs and bonds of corporate bodies and government or semi-government agencies
(viii) To borrow from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed shall not at any time exceed the limit of Rs. 500 crores

Here the term borrowing shall have the same meaning as assigned to it under Section 293(1)(d) of the Companies Act, 1956.

(ix) To avail other loans/borrowings, credit facilities (fund as well as non-fund based), financial assistance (other than those under Clause (viii) above) under lease/ hire purchase or any other similar arrangements, from banks/financial and other institutions provided that the total amount so borrowed shall not at any time exceed the limit of Rs. 4,000 crores
(x) To accept the terms and conditions for availing the borrowings/financial assistance under Clause (viii) and (xi) above
(xi) To authorise execution of documents and affix the common seal of the Company, wherever necessary
(xii) To request banks or financial institutions for disbursement of funds
(xiii) To deal with matters of hire purchase among others from suppliers in addition to banks/ financial Institutions
(xiv) To create security on the assets of the Company for availing of the above-mentioned facilities
(xv) To do all acts, deeds and things, as may be required or considered necessary in connection with the above terms of reference and powers or incidental thereto
(xvi) Any other related matters

7. SECRETARIAL AUDIT

As a strong measure of transparency and control, the Company has voluntarily appointed an independent practicing Company Secretary, who has been conducting secretarial audit. This audit, as a process, acts both as preventive check as well as verification of compliance with various applicable corporate and securities laws.

8. GENERAL BODY MEETINGS

I. Meeting details

The details of the last three Annual General Meetings of the shareholders are as under:

Date	Time	Location
24.12.2009	10.00 A. M.	Airforce Auditorium Subroto Park, New Delhi-110010
27.12.2008	10.00 A. M.	Airforce Auditorium Subroto Park, New Delhi-110010
27.12.2007	10.00 A. M.	Airforce Auditorium Subroto Park, New Delhi-110010

II Special resolutions

At the Annual General Meeting of the Company held on 24 December, 2009, special resolutions were passed in connection with the payment of commission to Directors other than Executive Directors, power to issue shares through the QIP route etc, Power to issue convertible warrants to promoters/ entities of the promoter group.

III Postal ballot:

During the year under review, the Company passed a special resolution for obtaining the approval of the Members for issue of fully convertible warrants on a preferential basis vide postal ballot notice dated 25 January, 2010.

The procedure for conducting postal ballot was carried pursuant to Section 192A of the Companies Act, 1956, read with the Companies (Passing of the Resolution under Postal Ballot) Rules, 2001, as amended. Mr. Lalit Dhingra, Proprietor, M/s Lalit Dhingra & Associates, Practising Company Secretaries was appointed as Scrutinizer for the postal ballot voting process, who carried out the process in fair and transparent manner. The results were announced on 27 February, 2010.

The details of the Resolution passed are as under:

Resolution Description

- Special Resolution for issue of fully Convertible warrants on preferential basis

- **Voting Pattern**

Voting	No. of votes	% of total valid votes
Votes cast in favour of the resolution	1,32,01,961	99.99
Votes cast against the resolution	1,058	0.01
Total	1,32,03,019	100.00

- **Result:** Passed with the requisite majority

9. DISCLOSURES

a. The Company does not have related party transactions, which may have potential conflict with the interest of the Company at large.

The statutory disclosure requirements relating to related party transactions have been complied with in the Annual Accounts (Schedule 18 Notes to Accounts)

b. The Company complied with the requirements of the stock exchanges/SEBI/statutory authorities on all matters related to the capital market during the last three years. There were no penalties or strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority relating to the above.

10. MEANS OF COMMUNICATION

Recommendation	Compliance
Quarterly results	Published in leading newspapers.
Which newspapers normally published in	Business Standard (All editions) Business Standard (Delhi edition)
Any Website, where displayed	www.candcinfrastructure.com
Whether it also displays official news releases and presentations made to institutional investors/ analysts	Yes
Whether management discussion and analysis is a part of the annual report	Yes
Whether shareholder information section forms part of the Annual report	Yes

11. GENERAL SHAREHOLDER NFORMATION

1. Annual General Meeting Date and Time Venue	29 October, 2010, 10.00 A.M. Air Force Auditorium, Subroto Park New Delhi-110010
2. Financial year	1July to 30 June
3. Financial calendar 2010-11	Results for 1st quarter ended 30 September, 2010- on or before 15 November, 2010 Results for 2nd quarter ended 31 December, 2010- on or before 14 February, 2011 Results for 3rd quarter ended 31st March, 2011 - on or before 15 May, 2011 Audited financial results for last quarter and year ended 30 June, 2011 - on or before 29th August, 2011
4. Book closure date	25 October, 2010 to 29 October, 2010 (both days inclusive)
5. Dividend payment date	Within 30 days from the date of AGM i.e. date of declaration of dividend
6. Listing of equity shares on stock exchanges at:	1. National Stock Exchange of India Ltd., Mumbai 2. Bombay Stock Exchange Ltd.
7. Payment of annual listing fees to the stock exchanges	Listing fee has been paid to the stock exchanges.
8. Stock code	NSE Code - CANDC BSE Code – 532813
9. Market price data	Separately given
10. Demat ISIN numbers of equity shares in NSDL and CSDL	INE 874H01015
11. Registrar and Transfer Agent	BIGSHARE SERVICES PRIVATE LTD. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East) Mumbai- 400 072 Tel.: (022) 40430200 Fax: (022) 28475207 E-mail: info@bigshareonline.com Website: www.bigshareonline.com
12. Share transfer system	Share transfers are handled by M/s. Bigshare Services Pvt. Ltd. The share transfers in physical form are presently processed and the share certificates returned within a period of 30 days from the date of receipt, if the documents being valid and complete in all respects.
13. Distribution of shareholding as on 30 June, 2010.	Separately given
14. Shareholding pattern as on 30 June, 2010	Separately given
15. Dematerialisation of shares and liquidity	The Company has entered into a tripartite agreement with NSDL and CDSL. Trading in the equity shares of the Company is permitted only in dematerialised form. 91.54% of the Company's share capital was dematerialised as on 30 June, 2010. The Company's shares are regularly traded on the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.
16. Outstanding GDR/ADR/ warrants or convertible bonds, conversion date and likely impact on equity	NIL
17. Site locations	**India** New Delhi, Greater Noida, Ropar, Nangal, Kapurthala, Mohali, Pankula, Jabalpur, Zirakpur, Una, Jahu, Tarn Taran, Tepla, Patiala, Ludhiana, Nalagarh, Patna, Muzaffarpur, Darbhanga, Phulparas, Madhubani, Nawada, Giriyak, Khajuria, Kathua, Supaul, Kursela, Manikapur, Raniganj, Palwal, Kaman, Port Blair, Dhankota, Bumbloo, Shujalpur, Sasaram, Mohania **Afghanistan** Kabul, Gardez-Khost.
18. Address for correspondence	70, Sector 32, Gurgaon – 122001, India.
19. Website	www.candcinfrastructure.com

DISTRIBUTION OF SHAREHOLDING AS ON 30 JUNE, 2010

No. of equity shares held	Shareholders		Equity share held	
	Number	% to total	Number	% to total
1-500	18,969	98.122	9,54,417	4.080
501-1000	171	0.885	1,36,253	0.583
1001-2000	71	0.367	1,09,670	0.469
2001-3000	23	0.119	56,411	0.241
3001-4000	17	0.088	61,899	0.265
4001-5000	15	0.078	71,547	0.306
5001-10000	15	0.078	1,11,825	0.478
10001 and above	51	0.263	2,18,87,238	93.578
Total	19,332	100.000	2,33,89,260	100.000

SHAREHOLDING PATTERN OF THE COMPANY AS ON 30 JUNE, 2010

(I) (a) Statement showing shareholding pattern as on 30 June, 2010								
Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(A)	Shareholding of promoter and promoter group							
1	Indian							
(a)	Individuals/ Hindu undivided family	32	94,16,308	74,40,024	40.26	40.26	37,93,810	40.29
(b)	Central Government/ State Governments	0	0	0	0.00	0.00	0	0.00
(c)	Bodies corporate	3	54,17,958	54,17,958	23.16	23.16	26,83,100	49.52
(d)	Financial institutions/ banks	0	0	0	0.00	0.00	0	0.00
(e)	Any others	0	0	0	0.00	0.00	0	0.00
	Sub total(A)(1)	35	1,48,34,266	1,28,57,982	63.42	63.42	64,76,910	43.66
2	Foreign							
a	Individuals (non-residents individuals/ foreign individuals)	0	0	0.00	0.00	0	0	0.00
b	Bodies corporate	0	0	0	0.00	0.00	0	0.00

c	Institutions	0	0	0	0.00	0.00	0	0.00
d	Any others	0	0	0	0.00	0.00	0	0.00
	Sub total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total shareholding of promoter and promoter group (A)= (A)(1)+(A)(2)	35	1,48,34,266	1,28,57,982	63.42	63.42	64,76,910	43.66
(B)	Public shareholding							
1	Institutions							
(a)	Mutual funds/ UTI	7	29,91,523	29,91,523	12.79	12.79	0	0.00
(b)	Financial institutions / banks	5	3,29,619	3,29,619	1.41	1.41	0	0.00
(c)	Central Government/ State Governments	1	852	852	0.00	0.00	0	0.00
(d)	Venture capital funds	0	0	0	0.00	0.00	0	0.00
(e)	Insurance companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign institutional investors	6	15,39,595	15,39,595	6.58	6.58	0	0.00
(g)	Foreign venture capital investors	0	0	0	0.00	0.00	0	0.00
(h)	Any other	0	0	0	0.00	0.00	0	0.00
(h1)	NRI banks	0	0	0	0.00	0.00	0	0.00
	Sub-total (B)(1)	19	48,61,589	48,61,589	20.79	20.79	0	0.00
B 2	Non-institutions							
(a)	Bodies corporate	345	14,87,708	14,87,708	6.36	6.36	0	0.00
(b)	Individuals						0	0.00
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	18,643	12,17,227	12,16,357	5.20	5.20	0	0.00

II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	11	5,57,789	5,57,789	2.38	2.38	0	0.00
(c)	Any other	0	0	0	0.00	0.00	0	0.00
(c-i)	Individual Directors	1	3,69,158	3,69,158	1.58	1.58	0	0.00
(c-ii)	NRI	234	50,551	50,551	0.22	0.22	0	0.00
(c-iii)	OCB's	0	0	0	0.00	0.00	0	0.00
(c-iv)	Trust	1	75	75	0.00	0.00	0	0.00
(c-v)	Clearing members	43	10,897	10,897	0.05	0.05	0	0.00
	Sub-total (B)(2)	19,278	36,93,405	36,92,535	15.79	15.79	0	0.00
(B)	Total public shareholding (B)= (B)(1)+(B)(2)	19,297	85,54,994	85,54,124	36.58	36.58	0	0.00
	TOTAL (A)+(B)	19,332	2,33,89,260	2,14,12,106	100	100	64,76,910	27.69
(C)	Shares held by custodians and against which depository receipts have been issued	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	19,332	2,33,89,260	2,14,12,106	100	100	64,76,910	27.69

MARKET PRICE DATA: HIGH, LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR

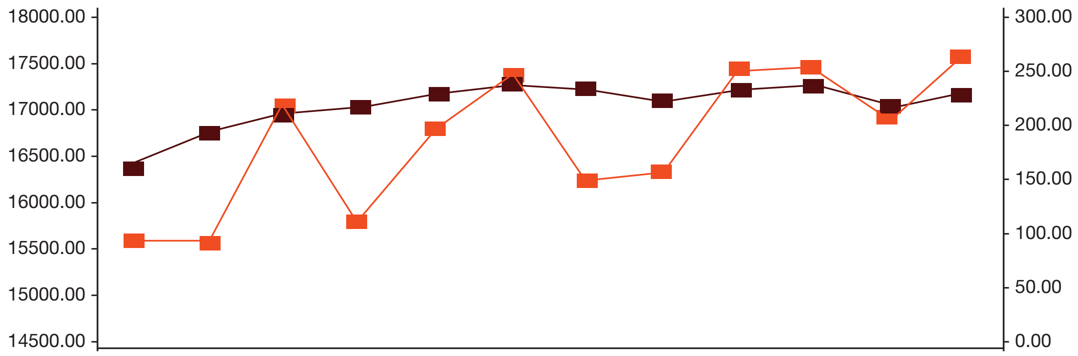
Month	National Stock Exchange of India Ltd. (Rs.)		Bombay Stock Exchange Ltd. (Rs.)	
	High	low	High	low
July, 2009	184.00	149.00	193.45	148.00
August, 2009	211.00	153.00	210.00	148.60
September, 2009	228.00	186.00	227.85	186.50
October, 2009	283.90	194.00	283.90	195.00
November, 2009	255.00	203.05	255.00	204.00
December, 2009	281.00	231.40	283.90	230.00
January, 2010	268.00	231.90	268.85	232.70
February, 2010	255.00	223.00	256.00	222.50
March, 2010	267.70	234.00	267.70	232.05
April, 2010	265.00	230.00	264.50	230.00
May, 2010	253.00	221.30	250.95	220.00
June, 2010	271.00	210.00	259.00	203.00

DISCLOSURE PURSUANT TO CLAUSE 5A(g) OF THE LISTING AGREEMENT WITH STOCK EXCHANGES REGARDING THE SHARE LYING THE SUSPENSE ACCOUNT

Description	No. of shareholders	No. of shares.
Aggregate number of shareholders and shares lying in the suspense account as on 1 July, 2009	17	592
Number of shareholders who approached for transfer of shares from suspense account during the year	7	192
Number of shareholders and shares transferred from suspense account during the year	7	192
Number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. on 30 June, 2010	11	400

THE PERFORMANCE OF THE COMPANY'S STOCK PRICE IN COMPARISON TO BSE SENSEX

Share Performance of the Company in Comparision to BSE Sensex



	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Sensex Month Closing	15670.31	15666.41	17126.84	15896.28	16926.22	17464.81	16357.96	16429.55	17527.77	17558.71	16944.63	17700.90
C & C Share Price Month Closing	168.75	201.75	218.85	226.60	237.90	249.05	244.60	233.10	243.60	249.90	228.20	239.00

AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that all the Directors and the senior management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 30 June, 2010.

For C & C Constructions Ltd
Gurjeet Singh Johar
Chairman

Date: 27 August, 2010

TO THE MEMBERS OF C & C CONSTRUCTIONS LTD.

We have examined the compliance of conditions of Corporate Governance by C & C Constructions Ltd for the year ended 30 June, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

We state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Company and presented to the Shareholder's/Investor Grievance Committee.

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

For A.S.G. & Associates
Chartered Accountants
Amar Jeet Singh
Partner
Membership No.: 089285

Camp: Gurgaon
Date: 27 August, 2010

Auditors' Report

TO THE MEMBERS,
C & C CONSTRUCTIONS LTD.

1. We have audited the attached Balance Sheet of C & C Constructions Ltd as at June 30, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. In accordance with the provisions of section 227 of the Companies Act 1956, we report that:

   As required by the Companies (Auditors Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs (4) and (5) of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts;

d) In our opinion, the profit and loss account, balance sheet and cash flow statement of the company comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.

e) On the basis of written representations received from the directors as on 30th June 2010 and taken on record by the board, we report that none of the directors is disqualified for being appointed as director in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In the case of the balance sheet, of the state of affairs of the company as at 30th June 2010;

(ii) In the case of profit and loss account, of the profit of the company for the year ended on that date, and

(iii) In the case of the cash flow statement, of the cash flow for the year ended on that date.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon
Dated: 27th August, 2010

ANNEXURE REFERRED TO IN THE PARAGRAPH 3 OF OUR REPORT OF EVEN DATE.

To the Members of C & C Constructions Limited On the Accounts for the Year ended 30th June 2010

(i) (a) In our opinion, the company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies with respect to book records were noticed on such verification.

(c) In our opinion and according to explanations given to us, fixed assets disposed off during the year were not substantial and as such the disposal has not affected the going concern status of the company.

(ii) (a) As explained to us, physical verification of inventory has been conducted by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable.

(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.

(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. Discrepancies noticed on verification of inventory as compared to book records were not material and these have been properly dealt with in the books of account.

(iii) (a) In our opinion and according to the explanations given to us, the Company has granted loans, secured or unsecured to Companies, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Number of such parties is five and amount outstanding as on 30.06.2010 is Rs. 6.11 lacs (maximum amount outstanding during the year is Rs.1671.01 lacs).

(b) The rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and

(c) There is no stipulation with regard to repayment of principal amount and interest as the loans are repayable on demand; and

(d) Since the amounts are repayable on demand, there is no overdue amount with regard to recovery of the principal and interest;

(e) The company has taken loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act,1956. Number of such parties is one and the amount outstanding as on 30-06-2010 is Rs. NIL (maximum amount outstanding during the year is Rs. 35.26 crores).

(f) The rate of interest and other terms and conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.

(g) Payment of the principal amount and interest are regular.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.

(v) (a) In our opinion, the particulars of contracts or arrangement that need to be entered into the register maintained under section 301, have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lacs in respect of any party during the year, have been made at prices which are reasonable as compared to the prices of similar items supplied by other parties.

(vi) According to the information and explanations given to us, the company has not accepted any deposits from public.

(vii) In our opinion, the company has an adequate internal audit system commensurate with its size and the nature of its business.

(viii) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the services carried out by the company.

(ix) In respect of statutory dues:

(a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Education Cess, Secondary and Higher Education and other statutory dues have been generally deposited in time with the appropriate authorities though there have been delay in few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on 30th June 2010 for a period of more than six months from the date they became payable.

(b) According to information and explanation given to us, the particulars of dues outstanding of Sales Tax, Works Tax, Income Tax and other statutory dues as on 30th June 2010, which have not been deposited on account of disputes pending are as under:

Name Of The Statute	Nature Of The Disputed Dues	Amount (Rs. In Lacs)	Period To Which The Amount Relates	Forum Where Dispute Is Pending
U.P. Sales Tax Act	Demand for work contract tax	22.92	2002-2003	Dy. Commissioner -Assessing Authority for Reassessment, Noida, UP
U.P. Sales Tax Act	Demand for work contract tax	6.67	2003-2004	Stay by Allahabad High Court
Income Tax Act	Demand	8.76	2003-2004	Commissioner of Income Tax (Appeals), New Delhi

(x) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year and in the financial year immediately preceding the financial year.

(xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank or financial institution as at the balance sheet date.

(xii) Based on our audit procedures and on the information and explanations given by the Management, we are of the opinion that since the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.

(xiii) The company is not a chit fund / nidhi/ mutual benefit fund/society to which the provisions of special statue relating to chit fund are applicable. Accordingly paragraph (xiii) of the order is not applicable.

(xiv) According to the information and explanations given by Management, the company is not dealing or trading in shares, securities, debentures and other investments. The company has made only investments in equity shares and Govt. Securities. All Investments made by the Company have been held by the Company in its own name.

(xv) In our opinion and according to the information and explanations given to us, the terms and conditions on which the company has given guarantee for loans taken by others from Banks or financial institutions are not prima facie prejudicial to the interests of the company.

(xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

(xvii) Based on our examination of the balance sheet of the Company as at 30th June 2010, and information and explanations given to us, we report that funds raised on a short-term basis have not been used for long-term investment.

(xviii) The company has made preferential allotment of 19,76,284 Nos. Equity shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956, during the year. The price at which the shares were allotted is not prejudicial to the interest of the Company as the price has been arrived at as per the provisions of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009

(xix) According to the information and explanation given to us, there are no outstanding debentures whether redeemable or non redeemable as on 30th June, 2010

(xx) The Company has not raised any money by public issue during the year.

(xxi) Based on the audit procedures performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon
Dated: 27th August, 2010

Balance Sheet as at 30th June, 2010

	Schedules	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	233,892,600	182,599,760
Reserves and Surplus	2	5,041,672,097	3,309,740,772
LOAN FUNDS			
Secured Loans	3	7,091,349,161	6,089,377,840
Deferred Tax Liability (Net)	12	369,680,649	159,394,282
		12,736,594,507	**9,741,112,654**
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	4,983,222,581	3,999,770,378
Less: Depreciation		1,246,019,041	838,308,114
Net Block		3,737,203,540	3,161,462,264
Capital Work-in-progess		96,524,930	99,089,252
		3,833,728,470	**3,260,551,516**
INVESTMENTS	5	1,501,622,484	497,006,720
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	8,684,393,821	3,408,064,410
Sundry Debtors	7	1,560,556,984	3,496,611,050
Cash and Bank Balances	8	769,868,415	847,429,781
Loans and Advances	9	2,259,909,568	3,065,699,946
		13,274,728,788	**10,817,805,187**
LESS :CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	10	5,689,768,397	4,715,353,692
Provisions	11	183,716,838	118,897,077
		5,873,485,235	**4,834,250,769**
NET CURRENT ASSETS		**7,401,243,553**	**5,983,554,418**
		12,736,594,507	**9,741,112,654**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18		

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Profit and Loss Account for the Year ended 30th June, 2010

	Schedules	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME			
Work Executed		11,684,481,661	7,501,308,274
Other Income	13	74,663,465	52,397,481
		11,759,145,126	**7,553,705,755**
EXPENDITURE			
Construction Expenses	14	7,669,148,952	5,139,554,525
Staff Expenses	15	1,223,170,454	646,376,561
General and Administration Expenses	16	606,791,199	476,269,476
Interest	17	729,445,926	474,079,229
Depreciation		447,795,353	249,380,450
		10,676,351,884	**6,985,660,243**
Profit before Tax		**1,082,793,242**	**568,045,514**
Taxes for the year:			
-Current Tax		181,647,261	73,245,498
-Deferred Tax		210,286,368	80,465,761
-Fringe Benefit Tax		-	3,316,300
Profit after Tax		**690,859,613**	**411,017,952**
Add: Profit brought forward		1,376,034,437	1,098,762,934
Profit available for Appropriation		**2,066,894,050**	**1,509,780,888**
Appropriations			
Proposed Dividend		64,320,465	50,214,934
Dividend tax		10,682,825	8,531,517
Transfer to General Reserve		75,000,000	75,000,000
Balance Carried to Balance Sheet		1,916,890,760	1,376,034,437
		2,066,894,050	**1,509,780,888**
Earning per share of face value of Rs.10/- each (EPS)			
-Basic		35.67	22.51
-Diluted		35.67	22.51
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18		

The schedules referred to above and the notes thereon form an integral part of the Profit and Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Schedules to the Balance Sheet as at 30th June, 2010

1. SHARE CAPITAL

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
AUTHORISED		
29,800,000 (19,800,000) Equity Shares of Rs. 10/- each	298,000,000	198,000,000
2,00,000 (2,00,000) Preference Shares of Rs. 10/- each	2,000,000	2,000,000
	300,000,000	**200,000,000**
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
2,33,89,260 (18259976) Equity Shares of Rs. 10/- each fully paid up*	233,892,600	182,599,760
	233,892,600	**182,599,760**

* of the above

(i) 62,300 (62,300) equity shares of Rs. 10 each were issued as fully paid up shares pursuant to contracts for consideration other than cash

(ii) 1,00,69,394 (1,00,69,394) equity shares of Rs. 10 each were alloted as fully paid up Bonus shares by capitalisation of Reserve

2. RESERVES & SURPLUS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Foreign Project Reserve Account	10,540,851	10,540,851
Less - Transfer to General Reserve	10,540,851	-
	-	**10,540,851**
Share Premium Account		
As at the commencement of year	1,420,627,028	1,420,627,028
Add: Addition during the year	1,217,408,412	-
Less: Share issue expenses	32,682,101	-
	2,605,353,339	**1,420,627,028**
Foreign Currency Translation Reserve		
As at the commencement of year	68,651,305	18,229,190
Add: Addition/(Deduction) for exchange	(68,651,305)	50,422,115
	-	**68,651,305**
General Reserve		
At the commencement of the year	433,887,151	358,887,151
Add: Transfer from Profit & Loss Account	75,000,000	75,000,000
Add: Transfer from Foreign Project Reserve Account	10,540,851	-
	519,428,002	**433,887,151**
Profit & Loss Account		
At the commencement of the year	1,376,034,437	1,098,762,934
Add: Addition for the Year	615,856,323	352,271,503
Less - Transfer to General Reserve	75,000,000	75,000,000
	1,916,890,760	**1,376,034,437**
	5,041,672,097	**3,309,740,772**

Schedules to the Balance Sheet as at 30th June, 2010

3. SECURED LOANS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
From Banks		
Working Capital Borrowings	4,308,999,068	3,151,089,020
Term Loans	332,178,315	992,974,417
From Others		
Term Loans	1,844,133,583	977,236,021
Hire Purchase Finance	606,038,195	968,078,382
	7,091,349,161	**6,089,377,840**

Notes:

a) Working Capital Borrowings are secured by first charge over stocks, book debts and other current assets of the Company, second charge over fixed assets of the Company, corporate guarantee of associate company and personal guarantees of promoter directors.

b) Term Loans availed from working capital bankers are secured by first charge on fixed assets, second charge on the current assets of the Company and personal guarantees of Promoter directors. Term Loans/Demand Loans from other institutions / banks are secured by second charge over fixed assets of the Company, subservient charge over entire assets of the Company, personal guarantees of promoter directors, Corporate guarantees of associate companies and pledge of some portion of shares in the Company held by individual/ corporate promoters.

c) Hire purchase finances are secured by hypothecation of specific assets procured under the respective hire purchase agreements and personal guarantees of promoter directors.

d) Term Loans include Rs. 10364.70 Lacs (Rs.14498 Lacs) falling due for payment within next 12 months.

e) Hire Purchase Finance includes Rs. 3149 lacs (Rs.4298 lacs) falling due for payment within 12 months

Schedules to the Balance Sheet as at 30th June, 2010

4. FIXED ASSETS

		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sr No		As at 1st July 2009 (Rs.)	Addtions During the year (Rs.)	Adjustments During the year (Rs.)	As at 30th June 2010 (Rs.)	As at 1st July 2009 (Rs.)	For the Year (Rs.)	Adjustments During the year (Rs.)	As at 30th June 2010 (Rs.)	As at 30th June 2010 (Rs.)	As at 30th June 2009 (Rs.)
A	TANGIBLE ASSETS										
1	LAND	41,570,598	-	-	41,570,598	-	-	-	-	41,570,598	41,570,598
2	BUILDING	165,352,770	-	-	165,352,770	5,034,326	2,695,250	-	7,729,576	157,623,194	160,318,444
3	TEMPORARY SHEDS	270,474,849	157,878,409	114,232	428,239,026	179,253,458	169,030,179	114,232	348,169,405	80,069,621	91,221,392
4	PLANT & MACHINERY	2,650,584,934	627,036,637	51,299,133	3,226,322,438	449,551,340	163,038,191	31,092,234	581,497,297	2,644,825,141	2,201,033,593
5	TIPPERS & TRACTORS	582,159,350	211,055,713	9,222,485	783,992,578	132,890,117	77,708,844	7,602,708	202,996,253	580,996,325	449,269,233
6	OFFICE EQUIPMENTS	62,881,501	13,603,248	280,778	76,203,972	9,589,087	5,056,302	94,380	14,551,009	61,652,963	53,292,414
7	COMPUTERS	41,621,337	9,018,791	56,389	50,583,739	15,243,513	7,687,490	25,634	22,905,369	27,678,370	26,377,824
8	FURNITURE & FIXTURES	42,445,183	7,308,355	142,104	49,611,434	11,986,170	6,781,198	103,229	18,664,139	30,947,295	30,459,013
9	VEHICLES	131,611,728	18,774,770	2,198,743	148,187,755	32,103,516	13,914,922	1,052,009	44,966,429	103,221,326	99,508,212
	Total :-	**3,988,702,250**	**1,044,675,922**	**63,313,863**	**4,970,064,310**	**835,651,527**	**445,912,376**	**40,084,426**	**1,241,479,477**	**3,728,584,833**	**3,153,050,723**
B	**INTANGIBLE ASSETS**	11,068,128	2,090,143	-	13,158,271	2,656,587	1,882,977	-	4,539,564	8,618,707	8,411,541
	Grand Total :-	**3,999,770,378**	**1,046,766,065**	**63,313,863**	**4,983,222,581**	**838,308,114**	**447,795,353**	**40,084,426**	**1,246,019,041**	**3,737,203,540**	**3,161,462,264**
	Previous Year	2,526,264,732	1,540,171,231	66,665,585	3,999,770,378	592,033,248	249,380,450	3,105,583	838,308,114	3,161,462,264	1,934,231,485
C	Capital work in progress									**96,524,930**	**99,089,252**

Note: - Intangible assets comprise mainly Softwares, licences and cost incurred on implementation of oracle ERP system.

Schedules to the Balance Sheet as at 30th June, 2010

5. INVESTMENTS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
LONG TERM INVESTMENTS		
Quoted		
Investment in Equity Shares		
- 2170950 Equity shares of Jaypee Infratech Ltd. of Rs. 10/- each	206,175,814	-
Unquoted		
Investment in Government and Trust Securities		
- National Saving Certificates (Pledged with Various Government Authorities)	132,500	132,500
Investment in Subsidiaries:		
- 44687422 Equity Shares of C and C Projects Ltd. of Rs.10/- each at cost	446,874,220	446,874,220
- 78343994 Equity Shares of C & C Realtors Ltd. of Rs.10/- each at cost	783,439,940	-
Other Investments		
- 800000 Equity Shares of BSC-C&C JV Nepal Pvt. Ltd. of NRS*.100/- each at cost	50,000,000	50,000,000
- 1 Equity Share of Mokama-Munger Highway Ltd. of Rs.10/- each at cost	10	-
Application Money pending Allotment in SBI Mutual Fund	15,000,000	-
	1,501,622,484	**497,006,720**
Quoted investment (at cost)	**206,175,814**	**-**
Unquoted investment (at cost)	**1,295,446,670**	**497,006,720**
Market Value of Quoted Investment	195385500	-

*Nepalies Rupees

6. INVENTORIES

		As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
As certified by the Management			
Raw materials*		1,136,020,408	1,007,299,397
Stores, Spares and Consumables*		325,634,003	184,770,350
Work-in-progress			
At estimated realisable value on sale	18,861,457,056		9,642,450,107
Less: Progress bills raised	11,684,481,661		7,501,308,274
Due from Customers		7,176,975,396	2,141,141,833
Material in transit		45,764,014	74,852,830
		8,684,393,821	**3,408,064,410**

*Valued at cost or net realisable value whichever is lower

Schedules to the Balance Sheet as at 30th June, 2010

7. SUNDRY DEBTORS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Unsecured		
Debts outstanding for a period exceeding six months -		
-Considered good	17,197,777	33,354,300
Others - Considered good	1,543,359,207	3,463,256,750
	1,560,556,984	**3,496,611,050**

8. CASH AND BANK BALANCES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Cash in hand	9,999,824	33,026,602
Balances with scheduled banks		
- in Current Accounts	140,581,584	84,157,927
- in Fixed Deposit With Banks (Including Interest accrued thereon)	617,334,861	721,013,799
Balance with non-scheduled banks		
- in Current Accounts	1,952,146	9,231,453
	769,868,415	**847,429,781**

9. LOANS AND ADVANCES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Unsecured, Considered Good		
Advances Recoverable in cash or kind or for value to be received	769,154,917	1,714,361,613
Retention Money Receivable	837,902,812	366,652,070
Security Deposits	46,888,549	25,921,414
Balances with Joint Ventures	398,995,752	719,167,390
Advance Tax (Net of Provisions)	206,356,945	161,821,042
Amounts Due from Subsidiary Companies	610,593	77,776,417
	2,259,909,568	**3,065,699,946**

10. CURRENT LIABILITIES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Sundry Creditors	1,638,028,850	1,220,890,698
Acceptances	1,386,975,013	991,792,001
Interest Accrued but not due	22,678,786	535,968
Mobilization and Material Advance from Employers	2,037,250,483	2,318,643,079
Other Liabilities	604,544,013	183,355,303
Unclaimed Dividends	291,252	136,643
	5,689,768,397	**4,715,353,692**

Schedules to the Balance Sheet as at 30th June, 2010

11. PROVISIONS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Fringe Benefit Tax	-	1,755,519
Proposed Dividend	64,320,465	50,214,934
Dividend Tax	10,682,825	8,531,517
Employee Retirement Benefits	108,458,153	58,179,607
Other Provision	255,395	215,500
	183,716,838	**118,897,077**

12. DEFERRED TAX LIABILITY (NET)

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Deferred Tax Liability		
Depreciation - Difference in Depreciation for Accounting and Tax purpose	409,491,369	176,026,603
Less: Deferred Tax Assets		
Employees' Retirement Benefits	30,513,700	16,632,321
Others	9,297,020	-
	369,680,649	**159,394,282**

Schedules to the Profit and Loss Account for the year ended 30th June, 2010

13. OTHER INCOME

	2009-2010 (Rs.)	2008-2009 (Rs.)
Miscellaneous Income	74,663,465	52,397,481
	74,663,465	**52,397,481**

14. CONSTRUCTION EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Cost of Materials		
Raw Materials and Components	9,234,907,001	4,652,035,032
Stores, Spares and Consumables	1,560,929,514	877,264,374
	10,795,836,515	**5,529,299,406**
Add : Opening Stock		
Raw Materials and Components	1,007,299,396	746,519,591
Stores, Spares and Consumables	259,623,180	122,155,164
Work in Progress	2,141,141,833	1,191,800,490
Less: Closing Stock		
Raw Materials and Components	1,136,020,408	1,007,299,396
Stores, Spares and Consumables	325,634,003	259,623,180
Work in Progress	7,176,975,396	2,141,141,833
	5,565,271,117	**4,181,710,242**
Project Execution Expenses		
Construction Expenses	1,061,040,477	219,865,898
Site Development Expenses	52,431,367	138,673,166
Hire Charges	411,980,951	193,019,243
Repair and Maintenance		
Plant & Machinery	460,043,529	339,168,905
Vehicles	102,728,406	61,350,282
Others	15,653,105	5,766,789
	2,103,877,835	**957,844,283**
	7,669,148,952	**5,139,554,525**

Schedules to the Profit and Loss Account for the year ended 30th June, 2010

15. STAFF EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Salaries, Wages and Bonus	986,679,612	516,835,142
Contribution to and Provision for:		
Provident Fund	29,388,636	18,407,981
Gratutity	16,410,655	10,382,411
Leave Encashment	41,183,722	15,473,852
Staff Welfare	149,507,829	85,277,175
	1,223,170,454	**646,376,561**

16. GENERAL AND ADMINISTRATION EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Travelling and Conveyance	33,761,377	21,765,454
Printing and Stationery	17,443,168	13,506,183
Telephone & Communication	22,484,780	15,433,183
Electricity	16,419,871	8,070,607
Legal and Professional	124,475,672	100,480,435
Rent	20,523,829	20,172,896
Rates and Taxes	4,975,814	20,417,238
Insurance	58,936,675	43,753,227
Auditors Remuneration	3,625,994	3,290,065
Directors' Commission	6,600,000	-
Miscellaneous Expenses	124,606,151	66,835,625
Bank Guarantees Commission	102,055,803	81,515,288
Bank Commission & Financial Charges	70,882,065	81,029,275
	606,791,199	**476,269,476**

17. INTEREST

	2009-2010 (Rs.)	2008-2009 (Rs.)
Interest on Fixed Loans	313,846,904	201,979,082
Interest Others	457,968,277	326,672,241
	771,815,181	**528,651,323**
Less: Interest Income	42,369,255	54,572,094
	729,445,926	**474,079,229**

Schedules to Balance Sheet and Profit and Loss Account for the Year ended 30th June, 2010

18. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and comply with the Accounting Standards and Generally Accepted Accounting Principles (GAAP) in India.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates, difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3. FIXED ASSETS AND CAPITAL WORK-IN-PROGRESS

Fixed assets are stated at cost, less accumulated depreciation up to the date of the balance sheet. Cost includes duties & taxes but does not include inwards freight & incidental expenses related to acquisition and Installation of the assets.

Intangible assets comprise of licence fees and other implementation cost for software Oracle finance (ERP) acquired for in-house use.

Capital work-in-progress includes cost of fixed assets that are not yet ready for their intended use and advance paid to acquire fixed assets.

4. DEPRECIATION

a) Depreciation on the assets of the Company is charged on straight line method at the rates specified in Schedule XIV of Companies Act, 1956, on single shift basis, including those purchased under hire purchase agreements, except Depreciation on Plant & Machineries deployed at Afghanistan Projects are charged at a rate higher than the stipulated by the Companies Act 1956, based on the useful life of the Asset, as estimated by the Management. The useful life of such assets is follows:

Assets	Years
Plant & Machinery (Crusher, WMM, HMP & Batching Plant)	2
Plant & Machinery	7
Tipper & Tractor	2

(b) Software and implementation cost including users licence fees of the Enterprise Resource Planning System (ERP) and other application software costs are amortised over a period of Five years.

(c) Assets costing less than Rs. 5,000/- have been depreciated at hundred percent in the year of purchase

5. INVESTMENTS

Investments are valued at cost of acquisition. No provision for diminution in value, if any, is made, if considered to be temporary in nature.

6. INVENTORIES

a) Raw Material and Stores are valued at the lower of cost or net realisable value. The cost is arrived at by first-in-first out method except cost of spares which is valued at weighted average method.

b) Work-in-progress is valued at Net realisable value.

7. RETIREMENT BENEFITS TO EMPLOYEES

Defined contribution obligation: Company's contribution to provident fund and Employees State Insurance are defined contribution obligations which are charged to the Profit & Loss Account on accrual basis.

Defined benefit obligations: Gratuity and Earned Leaves are defined benefit obligations which are recognized on actuarial valuation basis.

8. REVENUE RECOGNITION

Revenue is recognised as follows:

i) Contract revenue is recognised by adding the aggregate cost and proportionate margin, using the percentage completion method, Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

Claims are accounted as income in the year of receipt of arbitration award or acceptance by client.

ii) Revenue from contracts executed in Joint Ventures (Jointly Controlled Operations, in terms of Accounting

Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures"), is recognised on the same basis as similar contracts independently executed by the Company.

iii) Small Insurance claims are accounted for on cash basis and major claims are accounted for as and when the same are lodged..

iv) All other expenses and income are accounted for on accrual basis.

9. BORROWING COSTS

Borrowing Cost that are attributable to the acquisition, construction of qualifying assets are capitalised as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

10. TAXATION

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961.

b) Deferred Tax is recognised subject to the consideration of prudence, 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. Deferred Tax Asset is recognised and carried forward only to the extent that there is virtual certainty that the asset will be adjusted in future.

c) Provision for taxation has been made on the taxable income for the tax year ended 31st March, 2010. Provision for tax, if any, in respect of income accrued during the period 1st April, 2010 to 30th June, 2010 would be determined and provided with reference to the profit, if any, for the year ending 31st March, 2011.

11. FOREIGN CURRENCY TRANSACTIONS, FOREIGN OPERATIONS, AND FORWARD CONTRACTS

a) The reporting currency of the Company is Indian Rupee.

b) Foreign operations have been classified as integral foreign operations and financial statement are translated as under:

i) Assets and liabilities (both Monetary and Non-Monetary) at the rate prevailing at the end of the year.

ii) Revenue and Expenses at yearly average Exchange Rates prevailing during the year. Exchange difference arising on translation is recognised as income or expense of the period in which they arise.

c) Monetary Assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The differences in translation of monetary assets and liabilities and unrealised gains or losses on foreign currency transactions are recognised in the profit and loss account.

12. ACCOUNTING OF JOINT VENTURES

Jointly Controlled Operations:

In respect of joint venture contracts in the nature of Jointly Controlled Operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognised in the agreed proportions under respective heads in the financial Statement.

13. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine,

a) The provision for impairment loss, if any, required or

b) The reversal, if any, required of impairment loss recognised in previous periods.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount,

Recoverable amount is determined:

a) in the case of an individual asset, at the higher of the net selling price and the value in use.

b) in the case of a cash generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).

14. CHANGE IN ACCOUNTING POLICY IN RESPECT TO FOREIGN OPERATIONS IN JOINT VENTURE

The Joint Venture operations in Afghanistan have been reclassified in accordance with AS-27 as integral operations in lieu of non- integral from the financial year 2009-10. Due to the change in accounting policy, the profit for the year has increased by a sum of Rs. 686 lacs.

15. LEASES

i) Assets acquired under leases where the company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost.

ii) Assets acquired on leases where a significant portion of the risk and reward of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the profit & Loss account on accrual basis.

16. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if,

a) the company has a present obligation as a result of past event,

b) a probable outflow of resources is expected to settle the obligation and

c) the amount of the obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received,

Contingent Liability is disclosed in the case of:

a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

b) a possible obligation, if the probability of outflow of resources is not remote..

Contingent Assets are neither recognised, nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date

17. DERIVATIVE AND HEDGING INSTRUMENTS ACCOUNTING

In respect of derivative contracts, premium paid, gains/ losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

B. NOTES TO ACCOUNTS

1. CONTINGENT LIABILITIES NOT PROVIDED FOR

		As at June 30th, 2010 (Rs. Lacs)	As at June 30th, 2009 (Rs. Lacs)
a)	Claims against the Company not acknowledged as debts.	49.97	78.37
b)	Statutory Liabilities that may arise in respect of matters in appeal	326.77	94.94
c)	Outstanding bank guarantees	68515.00	51411.00
d)	Outstanding letters of credit	31046.00	21041.00
e)	Corporate guarantee given on behalf of associates/joint venture entities/subsidiaries	26000.00	26000.00

Capital Commitments

Estimated amount of Contracts (net of advances) remaining to be executed on Capital Account and not provided for Rs 412.13 Lacs (Rs.1295.91 Lacs)

2. The construction activities of the company are considered as a service activity covered under para 3(II)(C) of Part-II of Schedule VI of the Companies Act, 1956. Thus, particulars in respect of installed capacities, licensed capacities, production, stocks and sales of final products/services are not applicable.

3. Value of imported raw material, stores and spares consumed and the value of all indigenous raw materials, stores and spares similarly consumed and the percentage of each to the total consumption:

	2009-10		2008-09	
	Rs.	%	Rs.	%
Raw material, stores and spares				
- Imported	702,232,718	6.62 %	496,665,234	9.68%
- Indigenous	9,898,871,963	93.38%	4,634,386,352	90.32%
	10,601,104,680	**100%**	**5,131,051,586**	**100%**

4. EARNINGS IN FOREIGN CURRENCY

	2009-10 (Rs.)	2008-09 (Rs.)
Overseas Projects and others	939,896,009	991,618,753
	939,896,009	**991,618,753**

5. CIF VALUE OF IMPORTS

	2009-10 (Rs.)	2008-09 (Rs.)
Capital Expenditure at overseas projects	8,414,226	6,436,227
Capital Expenditure in India	316,243,537	599,924,189
Raw Material , Store & Spares at overseas projects	1,000,545,470	122,830,857
Raw Material , Store & Spares in India	80,177,241	745,246,126
	1,405,380,474	**1,474,437,399**

6. EXPENDITURE IN FOREIGN CURRENCY

	2009-10 (Rs.)	2008-09 (Rs.)
Expenditure incurred at overseas contract	778,788,811	505,714,133
Travelling Expenses, Consultancy and others	4,416,451	3,418,414
	783,205,262	**509,132,547**

7. (a) MANAGERIAL REMUNERATION

	2009-10 (Rs.)	2008-09 (Rs.)
Salaries and Perquisites	47,746,785	41,760,000
Contribution to Provident Fund	37,440	37,440
	47,784,225	**41,797,440**

(b) MANAGERIAL REMUNERATION AND COMPUTATION OF NET PROFIT UNDER SECTION 349 OF THE COMPANIES ACT, 1956

	2009-10 (Rs. in lacs)	2008-09 (Rs. in lacs)
Net Profit before Taxation	10,827.93	5,680.46
Add:		
Directors' remuneration charged to Profit & Loss Account	477.84	417.97
Commission payable to non-executive directors	66.00	-
Directors' sitting fees	8.15	1.65
Loss (Profit) on sale of Fixed Assets	(82.14)	-
Net Profit for the purpose of Section 198 of the Companies Act,1956	11,297.79	6,099.71
Maximum permissible remuneration to Whole Time Directors under Section 198 of the Companies Act,1956 @ 10% of profit computed above	1,129.78	610.00
Maximum payable as per Service agreements / Terms of appointment	**477.84**	**417.97**
Maximum permissible remuneration to non-executive directors under Section 198 of the Companies Act,1956 @ 1% of profit computed above	112.98	Not applicable
Maximum payable as decided by the Board of Directors	66.00	-

8. AUDITOR'S REMUNERATION (*)

	2009-10 (Rs.)	2008-09 (Rs.)
Audit Fees	2,179,527	1,721,782
Tax Audit Fees	620,438	496,350
Others	826,029	1,071,933
	3,625,994	**3,290,065**

(*) including service tax

9. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 7 (REVISED)

		2009-10 (Rs.)	2008-09 (Rs.)
i	Contract revenue recognised for the financial year	11,684,481,661	7,501,308,274
ii	Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at end of the financial year for all contract in progress as at that date	18,861,457,056	9,642,450,107
iii	Amount of Customer Advance outstanding for contracts in progress as at end of the financial year	2,037,250,483	2,318,643,079
iv	Amount of retentions due from customers for contracts in progress as at end of the financial year	837,902,812	366,652,070

10. The company operates in one business segment i.e. construction. Since the company is engaged in execution of work in different countries, primary segment reporting is performed based on geographical location of operations

	2010			
Segments	**Indian (Rs.)**	**Overseas (Rs.)**	**Un-allocated (Rs.)**	**Total (Rs.)**
Revenue				
Sales & Services	10,819,249,117	939,896,009	-	11,759,145,126
Total revenue	**10,819,249,117**	**939,896,009**	**-**	**11,759,145,126**
Segment Result (Profit Before Interest & Tax)	**2,017,488,434**	**182,804,060**	**-**	**2,200,292,494**
Unallocable Expenditure	-	-	388,053,325	388,053,325
Interest	-	-	-	729,445,927
Profit Before Taxation	-	-	-	1,082,793,242
Provision for Taxation				
-Current Tax	-	-	-	181,647,261
-Deferred Tax	-	-	-	210,286,368
Profit After Taxation	-	-	-	**690,859,613**
Other Segment Information				
Segment Assets	15,717,293,206	1,391,164,052	1,501,622,484	18,610,079,742
Segment Liabilities	4,937,357,301	752,411,095	7,644,746,650	13,334,515,046
Capital Expenditure (Including Capital Work-in-progress)	988,063,048	56,138,696	-	1,044,201,744
Depreciation	379,047,922	68,747,431	-	447,795,353

11. DISCLOSURES OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS

(i) Associate Companies

Jeet Properties (P) Ltd.
Bags Registry Services (P) Ltd.
Case Cold Roll Forming Limited
Case Components Limited
Case Component Industries Pvt. Limited
S.J. Leasing & Investment (P) Limited
Frontline Innovation (P) Ltd.
Tel Systems Ltd.
J.D. Resort Pvt. Ltd.
Sonar Infosys Ltd.
Amaltas Consulting P Ltd.
Pelican Educational Resources Ltd.
Pelican Vocational Education P Ltd.
FOS Laser SPA Pvt. Ltd.
Grace Developer LLC
Frontier Services LLC
Kims Wardak Diagnostic Centre Pvt. Ltd., Afghanistan
Mudit Cement Pvt. Ltd.
BSC-CandC-Kurali Toll Road Ltd.
BSC-CandC-JV Nepal (P) Ltd.
C & C Corporate Services Ltd.
Mokama – Munger Highway Ltd.

(ii) Joint Ventures

BLA-CISC-C & C ‘JV’
BSC-C & C ‘JV’
C & C-SE 'JV'

(iii) Subsidiary Companies

C and C Projects Ltd.
C & C Realtors Ltd.
C & C Towers Ltd. (*)

(*) Stepdown Subsidiary Company

(iv) Key Managerial Personnel Board of Directors

Mr. Gurjeet Singh Johar
Mr. Charanbir Singh Sethi
Mr. Rajbir Singh
Mr. Sanjay Gupta
Mr. Amrit Pal Singh Chadha
Mr. Rajendra Mohan Aggarwal

(v) Relatives of Key Managerial Personnel

C.S. Sethi (HUF)
Ms. Sunita Singh Sethi
Ms. Sumeet Johar
Ms. Inderjit Kaur Chadha
Ms. Sukhvinder Kaur
Mr. Jaideep Singh Johar
Gurjeet Singh Johar (HUF)
Ms. Divya Johar
Ms. Simrita Johar
Mr. Lakhbir Singh Sethi
Ms. Jessica Sethi
Mr. Jwala Prashad Gupta
Mr. Harvinder Pal Singh Chadha

(vi) Summary of transactions during the year:

	Associate Companies (Rs.)	Joint Ventures (Rs.)	Key Managerial Personnel (Rs.)	Relatives of Key Managerial Personnel (Rs.)	Subsidiaries (Rs.)	Total (Rs.)
Income						
- Sales and Services	93,246,779	5,388,612,098	-	-	161,013,401	5,642,872,278
- Other income	63,208,966	54,920,101	-	-	-	118,129,067
Expenditure						
Material Purchase and Project Execution Expenses	142,932,731	3,531,541,597	-	-	-	3,674,474,328
- Salaries and wages	-	570,234,915	47,784,225	1,839,400	-	619,858,540
- General and Administration expenses	68,292,800	219,789,714	-	900,000	-	288,982,514
- Depreciation	-	216,286,337	-	-	-	216,286,337
Interest	-	134,792,525	-	-	-	134,792,525
Dividend paid	14,899,385	-	20,530,474	882,291	-	36,312,150
Purchase/(sale) of fixed assets	-	402,407,319	-	-	-	402,407,319
Investment as on 30.06.2010	50,000,000	-	-	-	1,230,314,160	1,280,314,160
Balance outstanding at						
The year end:						-
- Accounts receivable	61,910,984	-	-	-	106,382,500	168,293,484
- Advances recoverable	-	-	-	-	610,593	610,593
- Current liabilities	116,757,700	-	-	-	-	116,757,700
Guarantees provided						-
- Bank Guarantees	-	1,332,037,870	-	-	-	1,332,037,870
- Corporate Guarantee	2,600,000,000	-	-	-	-	2,600,000,000

Figures in joint ventures represent our share in Joint Venture as per proportionate consolidation method.

12. DISCLOSURE AS PER CLAUSE 32 OF THE LISTING AGREEMENT

Loans and Advances in the nature of Loans given to Subsidiaries, Associates and others:

Name of the Company	Relationship	Amount Outstanding as at 30.06.2010 Rs. Lacs	Amount Outstanding as at 30.06.2009 Rs. Lacs	Maximum balance outstanding during the year Rs. Lacs	Investment In Shares of the Company as at 30.06.2010 No. of Shares
Case Components Ltd	Associate	-	199.32	247.61	-
Mudit Cement Pvt Limited	Associate	-	15.11	202.71	-
C AND C Projects Limited	Subsidiary	0.56	777.78	1195.19	44687422
C & C Realtors Ltd	Subsidiary	5. 55	-	5.55	78343994
C & C Towers Ltd	Subsidiary (step down)	-	-	19.95	

13. DISCLOSURES IN RESPECT OF JOINT VENTURES

(a) List / Financial interest in Joint Ventures

(Rs. In lacs)

Name of the Joint Venture	Description of Interest	% of Co's Interest	Company's share of				
			Assets	Liabilites	Income	Expenses	Tax
			As at 30th June 2010		For the year		
BSC-C & C 'JV'	Jointly Controlled Operations (Construction of roads)	50%	46,010.50 (54,444.91)	46,010.50 (54,444.91)	53,655.33 (38,220.08)	46,151.01 (35,181.71)	1,424.76 (533.79)
BLA-CISC-C & C 'JV'	Jointly Controlled Operations (Construction of roads)	50%	0.56 (25.63)	0.56 (25.63)	-	-	-
					-	-	-
C & C SE JV	Jointly Controlled Operations (Construction of Water, Sewerage pipe line)	55% & 80%	601.41 (454.94)	601.41 (454.94)	779.99 (260.95)	575.44 (436.54)	13.21 -
Total			**46,612.47**	**46,612.47**	**54,435.32**	**46,726.45**	**1,437.97**
			(54,925.48)	(54,925.48)	(38,481.03)	(35,618.25)	(533.79)

(b) Contingent liabilities, incurred by the Company in relation to the Joint Ventures as on 30th June 2010 is Rs.26,640.76 lacs (Rs. 19,109.52 lacs)

(c) Company’s share of Contingent liabilities incurred by the Joint Ventures is Rs.318.92 lacs (Rs.72.37 lacs)

(d) Capital commitments, incurred in relation to interests in Joint Ventures as on 30th June 2010 is Rs 78.00 lacs (Rs. 1162.16 lacs)

14. As per information available with the Company, the Sundry Creditors do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act".

15. Cash and Bank Balance: Details of balances kept with non-scheduled banks as on balance sheet dates and the maximum balances kept with non-scheduled banks during the period / year are as follow:

Balance with non-scheduled banks	2009-10 (Rs.)	2008-09 (Rs.)
In Current Accounts: Kabul Bank	1,952,146	9,231,453

Maximum balance held in non-scheduled banks During the period / year	2009-10 (Rs.)	2008-09 (Rs.)
In Current Accounts: Kabul Bank	37,279,921	29,068,593

16. COMPUTATION OF BASIC & DILUTED EARNINGS PER SHARE ("EPS")

	2009-10 (Rs.)	2008-09 (Rs.)
Profit after tax as per Accounts	690,859,613	411,017,952
Profit attributable to equity share holders	690,859,613	411,017,952
Weighted Average No. of Equity Shares	19,370,150	18,259,976
Face Value of Equity Shares	10.00	10.00
Basic and Diluted EPS	35.67	22.51

17. During the year, the Company has issued 31,53,000 No. of equity shares to Qualified Institutional Buyers. Share issue expenses amounting to Rs. 32,682,101/- have been adjusted against share premium.

18. Sundry Debtors includes Rs.619.11 Lacs (Rs. 3349.21 Lacs) amount due from Associates Companies in which the Directors of the Company are interested and Rs.1063.83 (Rs.5516.14 Lacs) due from Subsidiary company. The maximum amount outstanding at any time during the year Rs.3715.20 Lacs (3349.21 Lacs) and Rs.1063.83 Lacs (Rs, 5516.14 Lacs) respectively.

19. DISCLOSURE PURSUANT TO ACCOUNTING STANDARD AS 15 (REVISED) “EMPLOYEES BENEFITS”

Defined Benefit Plan

		2009-10 (Rs.)	
		Gratuity	Leaves entitlement
(i)	Reconciliation of opening and closing balance of Deferred Benefit obligations:		
	At the beginning of the Year	18,774,622	39,404,985
	Interest cost	1,314,224	2,758,349
	Past service cost	3,285,113	-
	Current service cost	15,239,942	39,239,553
	Benefits paid during the year	-	-1,987,872
	Actuarial (Gain) / Loss	-1,068,084	-1,573,185
	At the closing of the year	37,545,817	77,841,830
(ii)	Reconciliation of Opening and Closing balance of fair value of plan assets:		
	Fund Status as of closing of the year	6,929,493	-
(iii)	Actual gain / loss recognized:		
	Actuarial (gain) / loss for the year- Obligation	-1,068,084	-1,573,185
	Actuarial (gain) / loss for the year- Plan Assets	-	-
	Total (gain) / loss for the year	-1,068,084	-1,573,185
	Actuarial (gain) / loss recognized during the year	-1,068,084	-1,573,185
	Unrecognized actuarial (gain) / loss at the end of the year	-	-
(iv)	Amount recognized in the Balance Sheet:		
	Present value of obligation at the year end	37,545,817	77,841,830
	Fair value of plan assets at year end	6,929,493	-
	Funding status	-30,616,324	-77,841,830
	Net assets (liability) recognized in the Balance Sheet	-30,616,324	-77,841,830
(v)	Expense recognized in Profit & Loss Account:		
	Current Service Cost	15,239,942	39,239,553
	Past service cost	3,285,113	-
	Interest Cost	1,314,224	2,758,349
	Expected return on plan assets	-230,505	-
	Fund paid in earlier year	-2,285,587	-
	Net actuarial (gain) / loss recognized in the year	-1,068,084	-1,573,185
	Expenses recognized in the profit & Loss Account	16,255,103	40,424,717
(vi)	Movement in the liability recognized in the Balance Sheet:		
	Opening liability	18,774,622	39,404,985
	Expense recognized	16,255,103	40,424,717
	Benefits paid during the year	-	-1,987,872
	Contribution during the year	4,413,401	-
	Closing net liability at year end	30,616,324	77,841,830
(vii)	Actuarial Assumptions:		
	Discounting Rate (Per Annuam)	7.8%	7.8%
	Rate of increments in the salary	10%	10%
	Rate of return on plan assets	8.5%	-
	Expected average outstanding service of the employees	32.06 Year	32.06 Year

20. HP FINANCE

Assets acquired on HP finance mainly comprise Tippers and Tractors, Excavators, Motor Graders, Crushers and Cars. The HP finance agreements have a primary period which is fixed and non cancellable. There are no exceptional/restrictive covenants in the HP agreements.

The minimum EMIs and present value of minimum EMIs as on 30th June, 2010 in respect of assets acquired under HP finance are as follows:

(Rs. In lacs)

		Minimum payment	Present Value of Minimum payment
i.	Payable not later than 1 year	3,769.62	3,149.09
ii.	Payable later than 1 year and not later than 5 years	3,265.10	2,911.30
	Total	**7,034.72**	**6,060.39**

21. Some of Sundry Debtors, Creditors, Loans Advances, are subject to confirmation.

22. Previous year figures (including those given in bracket) have been regrouped, rearranged and reclassified, wherever considered necessary, to make them comparable to the current year figures.

Signatures to Schedule 1 to 18

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Cash Flow Statement for the Year ended 30th June, 2010

(Rs. in Lacs)

		2009-10		2008-09	
A	**NET CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		**10827.93**		**5680.45**
	Depreciation	4477.95		2493.80	
	Interest/Finance Charges	7294.46		4740.79	
	Exchange gain/loss on Non Integral branch	(686.51)	11085.90	504.22	7738.81
	Operating Profit before Working Capital Changes		21913.83		13419.26
	(increase)/Decrease in Sundry Debtors	19360.54		(16099.69)	
	(increase)/Decrease in Inventories	(52763.29)		(13475.89)	
	(increase)/Decrease in Loans and Advances	8503.26		(11579.35)	
	increase/(Decrease) in Current Liabilities	9744.15		15829.51	
	increase/(Decrease) in Provision	485.63	(14669.71)	250.99	(25074.43)
	Cash Generated from Operations		7244.12		(11655.17)
	Income Taxes Paid		2261.83		765.61
	Cash Flow from Operating Activities		**4982.29**		**(12420.78)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	(Increase)/Decrease in Investment	(10046.16)			
	Purchase of Fixed Assets (including Capital Work in progress)	(10442.02)		(13463.05)	
	Sale of Fixed Assets	232.29		635.6	
	Net Cash Flow from investing Activities		**(20255.88)**		**(12827.45)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from Share Capital	512.93		-	
	Share Premium	11847.26		-	
	Proceeds from Secured Loans	20548.59		26138.58	
	Repayment of Secured Loans	(22107.98)		(4361.00)	
	Proceeds from working capital/short term loans	11579.10		12041.12	
	Interest/Finance Charges Paid	(7294.46)		(4740.79)	
	Dividend & Dividend tax Paid	(587.46)		(587.46)	
	Net Cash Flow from Financing Activities		**14497.98**		**28490.44**
	NET INCREASE/(DECREASE) in Cash and Cash Equivalents		**(775.61)**		**3242.21**
	CASH AND CASH EQUIVALENTS, at the beginning of the year		**8474.29**		**5232.08**
	CASH AND CASH EQUIVALENTS, at the end of the year		**7698.68**		**8474.29**

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard-3 of the Companies (Accounting Standard) Rules, 2006.
This is the Cash Flow Statement referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
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Deepak Dasgupta
Independent Director
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Anand Bordia
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Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details		
	Registration No.	State Code
	8 0 4 0 1	5 5
	Balance Sheet Date	
	3 0 / 0 6 / 2 0 1 0	
	Date / Month / Year	
II. Capital raised during the year (Amount in Rs. Thousands)		
	Public Issue	Rights Issue
	N I L	N I L
	Bonus Issue	Private Placement
	N I L	5 1 2 9 3
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities	Total Assets
	1 2 7 3 6 5 9 5	1 2 7 3 6 5 9 5
Sources of Funds	Paid-up Capital	Reserves and Surplus
	2 3 3 8 9 2	5 0 4 1 6 7 2
	Secured Loans	Unsecured Loans
	7 0 9 1 3 4 9	N I L
	Deferred Tax Assets (Net)	
	3 6 9 6 8 0	
Application of Funds	Net Fixed Assets	Investments
	3 8 3 3 7 2 8	1 5 0 1 6 2 2
	Net Current Assets	Misc. Expenditure
	7 4 0 1 2 4 3	N I L
	Accumulated Losses	
	N I L	
IV. Performance of Company (Amount in Rs. Thousands)	Turnover	Total Expenditure
	1 1 7 5 9 1 4 5	1 0 6 7 6 3 5 1
(Please tick Appropriate box	Profit/Loss before Tax	Profit/Loss after Tax
+for Profit, - for Loss)	+ 1 0 8 2 7 9 3	+ 6 9 0 8 5 9
	Earning Per Share in Rs.	Dividend rate (%)
	3 5 . 6 7	2 7 . 5 0
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)		
Product Description:	Construction	

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Place: Gurgaon
Date: 27th August, 2010

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY

(Amount in Rs.)

	Name of Subsidiary Financial year of the subsidiary company ended on	C and C Projects Ltd. 31.03.2010	C & C Realtors Limited 31.03.2010	C & C Towers Ltd 31.03.2010
1.	Extent of interest in subsidiary company held by C & C Constructions Ltd. at the end of financial year of Subsidiary Company	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Step down subsidiary
2.	The net aggregate of the Subsidiary's Profits after deducting its losses or vice versa (so far as it concerns members of the Holding Company)			
	a) not dealt with in the accounts of C & C Constructions Ltd.			
	- For the Subsidiary's Financial Year ended 31.03.10	(7,49,072)	(3,77,984)	(21,571)
	- For the Previous Financial years of Subsidiary since it became the subsidiary of C & C Constructions Ltd.	(15,18,813)	N.A.	N.A.
	b) Dealt with or provisions is made for losses in the accounts of C & C Constructions Ltd.			
	- For the Subsidiary's Financial Year ended 31.03.10	Nil	N.A.	N.A.
	- For the Previous Financial years of Subsidiary since it became the subsidiary of C & C Constructions Ltd.	N.A.	N.A.	N.A.
3.	a) Changes in the interest of C & C Constructions Ltd. between the end of Financial year of Subsidiary and the end of Financial Year of C & C Constructions Ltd.	Nil	Nil	Presently the Company is a Wholly Owned Subsidiary of C & C Realtors Limited
	b) Material Changes between the end of Financial year of Subsidiary and the end of Financial Year of C & C Constructions Ltd. in respect of			
	i) Subsidiary's Fixed Assets	Nil	Nil	Nil
	ii) Its Investments	Nil	78,29,40,000	Nil
	iii) the moneys lent by it	Nil	5,54,956	Nil
	iv) moneys borrowed by it for any purpose other than that of meeting current liabilities	Nil	Nil	Nil

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Place: Gurgaon
Date: 27th August, 2010

C AND C PROJECTS LTD.

Directors' Report

TO,
THE MEMBERS
C AND C PROJECTS LIMITED

Your Directors have pleasure in presenting the Fourth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

Particulars	Current Year (In Rs.)	Previous Year (In Rs.)
Income	Nil	Nil
Expenditure	10,84,040	10,87,613
Profit (Loss) before taxation	(10,84,040)	(10,87,613)
Deferred Tax	3,34,968	3,36,073
Profit (Loss) after taxation	(7,49,072)	(7,51,540)
Loss brought forward from the previous year	(15,18,813)	(7,67,273)
Profit (loss) carried over to Balance sheet	(22,67,885)	(15,18,813)

DIVIDEND

To strengthen the financial position of the Company, your Directors do not recommend any dividend for the year under consideration.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

(a) In the preparation of annual accounts under review the applicable accounting standards have been followed.

(b) Appropriate accounting policies were selected and applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company at the end of the financial year under review and of the profit of the company for that period.

(c) Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The annual accounts are prepared on a going concern basis.

DIRECTORS

During the year Mr. Gurjeet Singh Johar and Mr. Charanbir Singh Sethi retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

AUDITORS

M/s ASG & Associates, Chartered Accountant, the Statutory Auditors of the Company, retires at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

AUDIT COMMITTEE

The audit committee consists of Mr. Gurjeet Singh Johar, Mr. Rajbir Singh and Mr. Sanjay Gupta all non-executive directors of the Company. The role, terms of reference, the authority and powers of the audit committee are in conformity with the requirements of the Companies Act, 1956. The committee met periodically during the year.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGES EARNING AND OUTGO

The particulars required in this respect of conservation of energy, research and development, technology absorption, foreign exchanges earning and outgo are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies act, 1956 regarding persons drawing salary of Rs. 2,00,000/- or more per month has not been given as the Company did not employ any such person during the year.

PUBLIC DEPOSITS

During the year your Company has not accepted any public deposits from the public.

ACKNOWLEDGEMENTS

Board acknowledges support of our Banker & co-operation of the Govt. Agencies.

By order of the Board
Gurjeet Singh Johar
Chairman

Date: 14. 08. 2010
Place: Gurgaon (Haryana)

Auditors' Report

TO THE MEMBERS,
C AND C PROJECTS LIMITED

1. We have audited the attached Balance Sheet of C AND C PROJECTS LIMITED as at March 31, 2010 and also the Profit and Loss Account and Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. In accordance with the provisions of section 227 of the Companies Act 1956, we report that: As required by the Companies (Auditors Report) Order, 2003 as amended by Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts;

d) In our opinion, the profit and loss account, balance sheet and cash flow statement of the company comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.

e) On the basis of written representations received from directors as on 31st March 2010 and taken on record by the board we report that none of the directors is disqualified for being appointed as directors in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2010;

(ii) in the case of profit and loss account, of the loss of the company for the period ended on that date, and

(iii) in the case of the cash flow statement, of the cash flow for the period ended on that date.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

To the Shareholders of C and C Projects Limited On the Accounts for the Year ended 31st March 2010.

(i) The company has no fixed assets, hence clause 4(i)(a),(b),(c) of the Order is not applicable.

(ii) The company has no inventory during the year at any time, hence clause 4(i)(a),(b),(c) of the Order is not applicable.

(iii) (a) In our opinion and according to the explanations given to us, the Company has granted loans, secured or unsecured to Companies, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Numbers of such parties are one and amount outstanding as on 31.03.2010 is Rs. 310.74 Lacs (Maximum amount outstanding during the year is Rs. 1505.93 Lacs).

(b) The rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and

(c) There is no stipulation with regard to repayment of the principal amount and interest regularly as the loans are repayable on demand; and.

(d) Since the amount are repayable on demand, there is no overdue amount with regard to recovery of the principal and interest;.

(e) In our opinion and according to explanation given to us, the company has taken loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Numbers of such parties are only one and amount outstanding as on 31.03.2010 is Rs. Nil Lacs (Maximum amount outstanding during the year is Rs. 1195.19 Lacs).

(f) The rate of interest and other terms and conditions of loans taken by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and

(g) Since the amount are repayable on demand, there is no overdue amount with regard to recovery of the principal and interest;.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control systems.

(v) (a) In our opinion there are no contracts or arrangement particular of which are needed to be entered into the register maintained under section 301 hence provision of 4(v)(a) & (b) of the Order are not applicable.

(vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public under the provisions of sections 58A, 58AA or any other relevant provisions of the Act.

(vii) In our opinion, the company has an adequate internal audit system commensurate with its size and the nature of its business.

(viii) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of services carried out by the company.

(ix) In respect of statutory dues:
(a) According to the records of the company, There are not undisputed statutory dues including Provident Fund, employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, education Cess & higher education cess and other statutory dues. .

(x) The company has accumulated losses amounting to Rs.22.68 Lacs at the end of the financial period under audit and it has incurred cash losses amounting to Rs.0.55 Lacs during the financial period under audit and Rs.0.59 Lacs in the immediately preceding financial year.

(xi) Company has not taken any loan from financial institution, bank or debenture holder hence clause 4(xi) of the Order is not applicable.

(xii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that since the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.

(xiii) The company is not a chit fund / nidhi / mutual benefit fund/society to which the provisions of special statue relating to chit fund are applicable. Accordingly paragraph (xiii) of the order is not applicable.

(xiv) According to the information and explanations given by management, the company is not dealing or trading in shares, securities, debentures and other investments except investments in closely held companies, which are related to the company. All the investments are held by the company in its own name.

(xv) In our opinion and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from Banks or financial institutions hence clause 4(xv) of the Order is not applicable.

(xvi) In our opinion and according to the information and explanations given to us, no term loan has been taken hence clause 4(xvi) of the Order is not applicable.

(xvii) Based on our examination of the balance sheet of the company as at 31st March 2010, and information and explanations given to us, we report that funds raised on a short-term basis have not been used for long-term investment.

(xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956, during the year.

(xix) The company has not issued any debentures during the period ending on 31st March 2010. Accordingly, paragraph 4(xix) of the order is not applicable.

(xx) During the period ending on 31st March 2010, the company has not raised money by way of public issue. Accordingly, paragraph 4(xx) of the order is not applicable.

(xxi) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Balance Sheet as at 31st March, 2010

	Schedules	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	446,874,280	446,874,280
LOAN FUNDS			
Unsecured Loan	2	-	77,464,566
		446,874,280	**524,338,846**
APPLICATION OF FUNDS			
INVESTMENTS	3	410,437,560	410,437,060
CURRENT ASSETS, LOANS AND ADVANCES	4	31,166,023	108,648,528
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	5	69,336	31,735
NET CURRENT ASSETS		**31,096,687**	**108,616,793**
Deferred Tax Assets		1,014,148	679,180
Profit & loss A/c		2,267,885	1,518,813
Miscellaneous Expenditure	6	2,058,000	3,087,000
		446,874,280	**524,338,846**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	7		

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Balance Sheet referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Profit and Loss Account for the year ended 31st March, 2010

	Schedules	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME		-	-
EXPENDITURE			
Bank Charges		-	195
Legal & Professional		1,000	1,500
ROC Fees		1,530	3,500
Auditor Remuneration		51,693	52,022
Miscellaneous Expenses		817	1,396
Preliminary Expenses written off		1,029,000	1,029,000
		1,084,040	**1,087,613**
Profit / loss before taxation		(1,084,040)	(1,087,613)
Taxation for the year			
-Current Tax		-	-
-Deferred Tax		334,968	336,073
Profit / loss after tax		(749,072)	(751,540)
Profit/Loss for earlier years		(1,518,813)	(767,273)
Profit carried forward to balance sheet		(2,267,885)	(1,518,813)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	7		

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Profit and Loss account referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Schedules forming part of the accounts for the year ended 31st March, 2010

1. SHARE CAPITAL

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
AUTHORISED		
10,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 10,00,00,000 Share)	1,000,000,000	1,000,000,000
	1,000,000,000	**1,000,000,000**
ISSUED SUBSCRIBED AND PAID UP CAPITAL		
4,46,87,428 Equity Shares of Rs. 10/- each fully paid up		
(Previous Year 4,46,87,428 Shares)	446,874,280	446,874,280
	446,874,280	**446,874,280**

2. UNSECURED LOAN

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
From Companies Under The Same Management	-	77,464,566.00
	-	**77,464,566.00**

3. INVESTMENT

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Unquoted Investment		
40920282 Equity share of BSC C and C Kurali Toll Road Limited of Rs. 10 each at cost	409,202,820	409,202,820
(Previous year 40,920,282 Equity Shares)		
Investment in Subsidiary Co.		
49994 Equity share of C & C Towers Limited of Rs. 10 each at cost	499,940	499,940
(Previous year 49,994 Equity Shares)		
Share Application Money Pending Allotment	734800	734300
	410,437,560	**410,437,060**

Schedules forming part of the accounts for the year ended 31st March, 2010

4. CURRENT ASSETS, LOANS & ADVANCES

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Cash and Bank Balances		
Cash in hand	60	60
Balance with Scheduled bank in current account	38,879	515,446
	38,939	515,506
Loans & Advances		
Advances recoverable in cash or kind	53,394	22
Advances to Subsidiary Company	31,073,690	108,133,000
	31,127,084	**108,133,022**
	31,166,023	**108,648,528**

5. CURRENT LIABILITIES

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Sundry Creditors	11,045	28,196
Other Liabilities	58,291	3,539
	69,336	**31,735**

6. MISCELLANEOUS EXPENDITURE

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Preliminary Expenses		
Opening Balance	3,087,000	4,116,000
Less: Written off During the Year	(1,029,000)	(1,029,000)
	2,058,000	**3,087,000**

7 Schedules Forming Part of the Accounts for the Year Ended 31st March 2010

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. Significant Accounting Policies

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and comply with the Generally Accepted Accounting Principles (GAAP) issued by the Institute of Chartered Accountants of India to the extent applicable.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts/advances, expenses for defect liability period, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates.

2. REVENUE RECOGNITION

Revenue is recognised on accrual basis as per accounting standard applicable in India.

3. INVESTMENTS

Investment is valued at cost of acquisition. No provision for diminution in value, if any, has been made considering the same as temporary in nature

4. PRELIMINARY EXPENSES

Preliminary expenses have been written off over a period of five years.

5. TAXATION

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961.

b) Deferred Tax is recognised subject to the consideration of prudence, 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 period. Deferred Tax Assets is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be adjusted in future.

B Notes to Accounts

1. Contingent liabilities - Nil
2. Previous year's figures have been regrouped/rearranged to make them comparable with that of current year..
3. Related parties

Name	**Relationship**
i) C & C Constructions Ltd.	Holding Company
ii) BSC C and C Kurali Toll Road Ltd.	Related Party
iii) Gurjeet Singh Johar	Director
iv) Charanbir Singh Sethi	Director
v) Sanjay Gupta	Director
vi) C & C Towers Ltd	Subsidiary

4. Transaction with related parties

i) Share Application Money to BSC C and C Kurali Toll Road Ltd. as on 31/03/2010. Rs.7,34,800/-

ii) Advances given to BSC C and C Kurali toll Road Limited.- Rs. 83/-

iii) Advance Given to C & C Towers Limited- Rs.3, 10,73,690/-

iv) Other Liabilities of C & C Constructions Limited –Rs.55,577/-

5. Based on the information available, there are no SSI and ancillary undertaking with whom company is currently dealing.
6. In the opinion of the management the current assets, loan and advances if realised in the ordinary course of business, would yield at least value as stated in the balance sheet.
7. **Deferred tax:-**

	31.03.2010	**31.03.2009**
DTA on carried forward of losses	Rs.1014148/-	Rs.679180/-
Total	Rs.1014148/-	Rs.679180/-

8. Additional information - Nil

Signature to Schedules 1 to 7 in terms of our attached report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Cash flow statement for the year ended March 31, 2010

		2009-10		2008-09	
A.	NET CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before Tax	(1,084,040)		(1,087,613)	
	Preliminary Expenses Written off	1,029,000	-	1,029,000	-
	Operating Profit before Working Capital Changes		**(55,040)**		**(58,613)**
	(Increase)/Decrease in Loans & Advances	77,005,938		148,673,858	
	Increase/(Decrease) in current liabilities	37,601		18,253	
			77,043,539		148,692,111
	Cash Generated from Operations		76,988,499		148,633,498
	Income Taxes Paid		-		-
	Cash Flow from Operating Activities		**76,988,499**		**148,633,498**
B.	CASH FLOW FROM INVESTING ACTIVITIES		-		-
	Investment	(500)		(409,457,780)	
	Cash flow from investment activity		**(500)**		**(409,457,780)**
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Short term Borrowing	(77,464,566)		77,464,566	
	Net Cash Flow from Financing Activities		**(77,464,566)**		**77,464,566**
	NET INCREASE/(DECREASE), in Cash and Cash Equivalents		**(476,567)**		**(183,359,716)**
	CASH AND CASH EQUIVALENTS, at the beginning of the year		**515,506**		**183,875,222**
	CASH AND CASH EQUIVALENTS, at the end of the year		**38,939**		**515,506**

For A S G & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Amar Jeet Singh
Partner
M.No. 089285

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details		
	CIN	**State Code**
	U74999HR2007PLC036644	
	Balance Sheet Date	
	31 03 2010	
	Date **Month** **Year**	
II. Capital raised during the year (Amount in Rs. Thousands)		
	Public Issue	**Rights Issue**
	NIL	NIL
	Bonus Issue	**Private Placement**
	NIL	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities	**Total Assets**
	446874.28	446874.28
Sources of Funds	**Paid-up Capital**	**Reserves and Surplus**
	446874.28	NIL
	Secured Loans	**Unsecured Loans**
	NIL	NIL
	Deferred Tax Assets (Net)	
	1014.15	
Application of Funds	**Net Fixed Assets**	**Investments**
	NIL	410437.56
	Net Current Assets	**Misc. Expenditure**
	31096.69	2058
	Accumulated Losses	
	2267.89	
IV. Performance of Company (Amount in Rs. Thousands)	**Turnover**	**Total Expenditure**
	NIL	1084.04
(Please tick Appropriate box +for Profit, - for Loss)	**Profit/Loss before Tax**	**Profit/Loss after Tax**
	-1084.04	-749.07
	Earning Per Share in Rs.	**Dividend rate (%)**
	-0.02	NIL
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)		
Product Description:	Construction	

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

C & C REALTORS LTD.

Directors' Report

TO,
THE MEMBERS
C & C REALTORS LIMITED

Your Directors have pleasure in presenting the First Annual Report and Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

Particulars	Current Year (In Rs.)
Income	Nil
Expenditure	5,47,010
Profit (Loss) before taxation	(5,47,010)
Deferred Tax	1,69,026
Profit (Loss) after taxation	(3,77,984)
Profit (loss) carried over to Balance sheet	(3,77,984)

DIVIDEND

To strengthen the financial position of the Company, your Directors do not recommend any dividend for the year under consideration.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

(a) In the preparation of annual accounts under review the applicable accounting standards have been followed.

(b) Appropriate accounting policies were selected and applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company at the end of the financial year under review and of the profit of the company for that period.

(c) Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The annual accounts are prepared on a going concern basis.

DIRECTORS

During the year Mr. Gurjeet Singh Johar retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

AUDITORS

M/s ASG & Associates, Chartered Accountant, the Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGES EARNING AND OUTGO

The particulars required in this respect of conservation of energy, research and development, technology absorption, foreign exchanges earning and outgo are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies act, 1956 regarding persons drawing salary of Rs. 2,00,000/- or more per month has not been given as the Company did not employ any such person during the year.

PUBLIC DEPOSITS

During the year your Company has not accepted any public deposits from the public.

ACKNOWLEDGEMENTS

Board acknowledges support of our Banker & co-operation of the Govt. Agencies.

By order of the board
Gurjeet Singh Johar
Chairman

Dated: 16.08.2010
Place: Gurgaon (Haryana)

Auditors' Report

TO THE MEMBERS,
C & C REALTORS LIMITED

1. We have audited the attached Balance Sheet of C & C REALTORS LIMITED as at March 31, 2010 and also the Profit and Loss Account and Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. In accordance with the provisions of section 227 of the Companies Act 1956, we report that:

   As required by the Companies (Auditors Report) Order, 2003 as amended by Companies (Auditor's Report) Amendment Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure
   a statement on the matters specified in paragraphs 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;

c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts;

d) In our opinion, the profit and loss account, balance sheet and cash flow statement of the company comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.

e) On the basis of written representations received from directors as on 31st March 2010 and taken on record by the board we report that none of the directors is disqualified for being appointed as directors in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2010;

(ii) in the case of profit and loss account, of the loss of the company for the period ended on that date, and

(iii) in the case of the cash flow statement, of the cash flow for the period ended on that date.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE.
To the Shareholders of C & C Realtors Limited on the Accounts for the year ended 31st March 2010.

(i) The company has no fixed assets, hence clause 4(i)(a),(b),(c) of the Order is not applicable.

(ii) The company has no inventory during the year at any time, hence clause 4(i)(a),(b),(c) of the Order is not applicable.

(iii) (a) In our opinion and according to the explanations given to us, the Company has granted loans, secured or unsecured to Companies, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Numbers of such parties are one and amount outstanding as on 31.03.2010 is Rs. 318/- (Maximum amount outstanding during the year is Rs. 318/-).

(b) The rate of interest and other terms and conditions of loans given by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and

(c) There is no stipulation with regard to repayment of the principal amount and Interest as the loans are repayable on demand; and

(d) Since the amounts are repayable on demand, there is no overdue amount with Regard to recovery of the principal and interest;

(e) In our opinion and according to explanation given to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence clause 4(iii)(e), (f) & (g) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weaknesses have been noticed in the internal control systems.

(v) (a) In our opinion there are no contracts or arrangement particular of which are needed to be entered into the register maintained under section 301 hence provision of 4(v)(a) & (b) of the Order are not applicable.

(vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public under the provisions of sections 58A, 58AA or any other relevant provisions of the Act.

(vii) Since the company is neither a listed company, nor it having paid up capital and reserves exceeding prescribe limit as at the commencement of the financial year concerned, nor it having an average annual turnover exceeding five crore rupee for a period of three consecutive financial year immediately preceding the financial year concerned, requirement of having an internal audit is not applicable.

(viii) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of services carried out by the company.

(ix) In respect of statutory dues:

(a) According to the records of the company, There are not undisputed statutory dues including Provident Fund, employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, education Cess & higher education cess and other statutory dues. .

(x) The company has accumulated losses amounting to Rs.3.78 Lacs at the end of the financial period under audit and it has incurred cash losses amounting to Rs.0.15 Lacs during the financial period under audit and Rs.Nil Lacs in the immediately preceding financial year.

(xi) Company has not taken any loan from financial institution, bank or debenture holder hence clause 4(xi) of the Order is not applicable.

(xii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that since the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.

(xiii) The company is not a chit fund / nidhi/ mutual benefit fund/society to which the provisions of special statue relating to chit fund are applicable. Accordingly paragraph (xiii) of the order is not applicable.

(xiv) According to the information and explanations given by management, the company is not dealing or trading in shares, securities, debentures and other investments except investments in closely held companies, which are related to the company. All the investments are held by the company in its own name.

(xv) In our opinion and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from Banks or financial institutions hence clause 4(xv) of the Order is not applicable.

(xvi) In our opinion and according to the information and explanations given to us, no term loan has been taken hence clause 4(xvi) of the Order is not applicable.

(xvii) Based on our examination of the balance sheet of the company as at 31st March 2010, and information and explanations given to us, we report that funds raised on a short-term basis have not been used for long-term investment.

(xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956, during the year.

(xix) The company has not issued any debentures during the period ending on 31st March 2010. Accordingly, paragraph 4(xix) of the order is not applicable.

(xx) During the period ending on 31st March 2010, the company has not raised money by way of public issue. Accordingly, paragraph 4(xx) of the order is not applicable.

(xxi) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

Balance Sheet as at 31st March, 2010

	Schedules	As At 31st March,2010 (Rs.)
SOURCES OF FUNDS		
SHARE HOLDERS' FUNDS		
Share Capital	1	773,940,000
		773,940,000
APPLICATION OF FUNDS		
Investments	2	770,819,000
CURRENT ASSETS, LOANS AND ADVANCES	3	509,588
LESS: CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities	4	64,398
NET CURRENT ASSETS		**445,190**
Deferred Tax Assets		169,026
Profit & loss A/c		377,984
Miscellaneous Expenditure	5	2,128,800
		773,940,000
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	6	

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Balance Sheet referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Profit and Loss Account for the year ended 31st March, 2010

	Schedules	2009-2010 (Rs.)
INCOME		-
EXPENDITURE		
Bank Charges		750
ROC Fees		2,010
Miscellaneous Expenses		1,020
Auditor Remuneration		11,030
Preliminary Expenses written off		532,200
		547,010
Profit / loss before taxation		(547,010)
Taxation for the year		
-Current Tax		-
-Deferred Tax		169,026
Profit / loss after tax		(377,984)
Profit/Loss for earlier years		-
Profit carried forward to balance sheet		**(377,984)**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	6	

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Profit and Loss Account referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Schedules Forming Part of the Accounts for the year ended 31st March, 2010

1. SHARE CAPITAL

	As At 31st March, 2010 (Rs.)
AUTHORISED	
125,000,000 Equity Shares of Rs. 10/- each (Previous Year Nil Share)	1,250,000,000
	1,250,000,000
ISSUED SUBSCRIBED AND PAID UP CAPITAL	
50,000 Equity Shares of Rs. 10/- each fully paid up	500,000
(Previous Year Nil Shares)	
Share Application Money Pending Allotment	773,440,000
	773,940,000

2. INVESTMENT

	As At 31st March, 2010 (Rs.)
Share Application Money Paid	770,819,000
	770,819,000

3. CURRENT ASSETS, LOANS & ADVANCES

	As At 31st March, 2010 (Rs.)
Cash and Bank Balances	
Cash in hand	500,060
Balance with Scheduled bank in current account	9,210
	509,270
Loans & Advances	
Advances to Subsidiary Company	318
	318
	509,588

4. CURRENT LIABILITIES

	As At 31st March, 2010 (Rs.)
Sundry Creditor	59,659
Amount Due to the Companies Under Same Management	878
Other Liabilities	3,861
	64,398

5. MISCELLANEOUS EXPENDITURE

	As At 31st March, 2010 (Rs.)
Preliminary Expenses	
Opening Balance	-
Add: Addition during the Year	2,661,000
Less: Written off During the Year	(532,200)
	2,128,800

Schedules Forming Part of the Accounts for the Year Ended 31st March 2010

6. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and comply with the Generally Accepted Accounting Principles (GAAP) issued by the Institute of Chartered Accountants of India to the extent applicable.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts/advances, expenses for defect liability period, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates.

2. REVENUE RECOGNITION

Revenue is recognised on accrual basis as per accounting standard applicable in India.

3. INVESTMENTS

Investment is valued at cost of acquisition. No provision for diminution in value, if any, has been made considering the same as temporary in nature

4. PRELIMINARY EXPENSES

Preliminary have been written off over a period of five years.

5. TAXATION

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961.

b) Deferred Tax is recognised subject to the consideration of prudence, 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 period. Deferred Tax Assets is recognised and carried forward only to the extent that there is reasonable certainty that the asset will be adjusted in future.

Notes to Accounts

1. Contingent liabilities - Nil
2. Previous year's figures have been regrouped/rearranged to make them comparable with that of current year.
3. Related parties

Name	Relationship
i) C&C Constructions Ltd.	Holding Company
ii) Gurjeet Singh Johar	Director
iii) Charanbir Singh Sethi	Director
iv) Sanjay Gupta	Director
v) C & C Towers Ltd	Subsidiary Company

4. Transaction with related parties

i) Share Application Money to C & C Towers Ltd. – Rs.77,08,19,000/-

ii) Advance given to C & C Towers Ltd. Rs. 318/-

iii) Share Application Money Received from C & C Constructions limited –Rs.77,34,40,000/-

iv) Other liabilities of C & C Constructions Ltd.-Rs.878/-

5. Based on the information available, there are no SSI and ancillary undertaking with whom company is currently dealing.

6. In the opinion of the management the current assets, loan and advances if realised in the ordinary course of business, would yield at least value as stated in the balance sheet.

7. **Deferred tax :-**

	31.03.2010	**31.03.2009**
DTA on carried forward of losses	Rs.169026/-	Rs.Nil
Total	Rs.169026/-	Rs.Nil

8. Additional information - Nil

Signature to Schedules 1 to 6 in terms of our attached report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

For and on behalf of
the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

Cash Flow Statement for the year ended March 31, 2010

		2009-10	
A.	**NET CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before Tax	(547,010)	
	Preliminary Expenses Written off	532,200	-
	Operating Profit before Working Capital Changes		**(14,810)**
	(Increase)/Decrease in Loans & Advances	(318)	
	Increase/(Decrease) in current liabilities	64,398	
			64,080
	Cash Generated from Operations		49,270
	Cash Flow from Operating Activities		**49,270**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Investment	(770,819,000)	
	Cash flow from investment activity		**(770,819,000)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Share Capital	500,000	
	Share Application Money	773,440,000	
	Preliminary Exp.	(2,661,000)	
	Net Cash Flow from Financing Activities		**771,279,000**
	NET INCREASE/(DECREASE), in Cash and Cash Equivalents		**509,270**
	CASH AND CASH EQUIVALENTS, at the beginning of the year		**-**
	CASH AND CASH EQUIVALENTS, at the end of the year		**509,270**

For A S G & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Amar Jeet Singh
Partner
M.No. 089285

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details		
	CIN	**State Code**
	U45200HR2009PLC039834	
	Balance Sheet Date	
	3 1 / 0 3 / 2 0 1 0	
	Date / **Month** / **Year**	
II. Capital raised during the year (Amount in Rs. Thousands)		
	Public Issue	**Rights Issue**
	NIL	NIL
	Bonus Issue	**Private Placement**
	NIL	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities	**Total Assets**
	77394.00	77394.00
Sources of Funds	**Paid-up Capital**	**Reserves and Surplus**
	500.00	NIL
	Secured Loans	**Unsecured Loans**
	NIL	NIL
	Deferred Tax Assets (Net)	
	169.02	
Application of Funds	**Net Fixed Assets**	**Investments**
	NIL	77081 9.00
	Net Current Assets	**Misc. Expenditure**
	445.19	2128.80
	Accumulated Losses	
	377.98	
IV. Performance of Company (Amount in Rs. Thousands)	**Turnover**	**Total Expenditure**
	NIL	547.01
(Please tick Appropriate box +for Profit, - for Loss)	**Profit/Loss before Tax**	**Profit/Loss after Tax**
	-547.01	-377.98
	Earning Per Share in Rs.	**Dividend rate (%)**
	-7.56	NIL
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)		
Product Description:	Construction	

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 16th August, 2010

C & C TOWERS LTD.

Directors' Report

TO THE MEMBERS
C & C TOWERS LIMITED

Your Directors have pleasure in presenting the Second Annual Report and Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

Particulars	Current Year (In Rs.)
Income	5,020
Expenditure	36,237
Profit (Loss) before taxation	(31,217)
Deferred Tax	9,646
Profit (Loss) after taxation	(21,571)
Loss brought forward from the previous year	Nil
Profit (loss) carried over to Balance sheet	(21,571)

DIVIDEND

To strengthen the financial position of the Company, your Directors do not recommend any dividend for the year under consideration.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

(a) In the preparation of annual accounts under review the applicable accounting standards have been followed.

(b) Appropriate accounting policies were selected and applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company at the end of the financial year under review and of the profit of the company for that period.

(c) Proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The annual accounts are prepared on a going concern basis.

DIRECTOR

During the year Mr. Charanbir Singh Sethi retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

AUDITORS

M/s ASG & Associates, Chartered Accountant, the Statutory Auditors of the Company, retires at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGES EARNING AND OUTGO

The particulars required in this respect of conservation of energy, research and development, technology absorption, foreign exchanges earning and outgo are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies act, 1956 regarding persons drawing salary of Rs. 2,00,000/- or more per month has not been given as the Company did not employ any such person during the year.

PUBLIC DEPOSITS

The Company has not accepted any public deposits from the public.

ACKNOWLEDGEMENTS

Board acknowledges support of our Banker & co-operation of the Govt. Agencies.

By order of the Board
Gurjeet Singh Johar
Chairman

Dated: 14.08.2010
Place: Gurgaon (Haryana)

Auditors' Report

TO THE MEMBERS,
C & C TOWERS LTD.

1. We have audited the attached Balance Sheet of C & C Towers Ltd as at March 31, 2010 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. In accordance with the provisions of section 227 of the Companies Act 1956, we report that:
As required by the Companies (Auditors Report) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraphs (4) and (5) of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;

c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts;

d) In our opinion, the profit and loss account, balance sheet and cash flow statement of the company comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.

e) On the basis of written representations received from the directors as on 31st March, 2010 and taken on record by the board, we report that none of the directors is disqualified for being appointed as director in terms of clause (g) sub-section (1) of section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2010;

(ii) in the case of profit and loss account, of the loss of the company for the period ended 31st March 2010, and

(ii) in the case of the cash flow statement, of the cash flow for the year ended 31st March,2010.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE.
To the Shareholders of C & C Towers Limited on the Accounts for the year ended 31st March 2010.

(i) (a) In our opinion, the company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals, no material discrepancies with respect to book records were noticed on such verification.

(c) In our opinion and according to explanations given to us, fixed assets disposed off during the year were not substantial and as such the disposal has not affected the going concern status of the company.

(ii) (a) The company had no inventory at any time during the year. Hence clause 4 (ii) (a), (b) & (c) of the order is not applicable.

(iii) (a) In our opinion and according to the explanations given to us, the Company has not granted loans, secured or unsecured to Companies, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence clause 4(iii)(a),(b),(c) and (d) of the order are not applicable.

(e) In our opinion and according to explanation given to us, the company has taken loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Number of such company is one and amount outstanding as on 31.03.2010 is Rs. 310.74 Lacs (Maximum amount outstanding during the year is Rs. 1081.33 Lacs).

(f) The rate of interest and other terms and conditions of loans taken by the company, secured or unsecured, are not prima facie prejudicial to the interest of the company; and

(g) Since the amount loan is repayable on demand, hence no repayment of loan/interest has been made regularly.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services, during the course of our audit, no major weakness has been noticed in the internal controls.

(v) (a) In our opinion the particulars of contracts or arrangement that need to be entered into the register maintained under section 301 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of such contracts or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956, and exceeding the value of Rupees five lacs in respect of any party during the year, have been made at prices which are reasonable as compared to the prices of similar items supplied by other parties or as available with the company.

(vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public.

(vii) Since the company is neither a listed company, nor it having paid up capital and reserves exceeding prescribe limit as at the commencement of the financial year concerned, nor it having an average annual turnover exceeding five crore rupee for a period of three consecutive financial year immediately preceding the financial year concerned, requirement of having an internal audit is not applicable.

(viii) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of services carried out by the company.

(ix) In respect of statutory dues:

(a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Education Cess, Secondary and Higher Education and other statutory dues have been generally regularly deposited with the appropriate authorities though there have been delay in few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as on 31st March, 2010 for a period of more than six months from the date they became payable.

(x) The company has no accumulated losses at the end of the financial period under audit and it has incurred cash losses amounting to Rs.0.36 Lacs during the financial period under audit and Rs. Nil Lacs in the immediately preceding financial year.

(xi) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.

(xii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that since the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, it is not required to maintain records in respect thereof.

(xiii) The company is not a chit fund / nidhi / mutual benefit fund/society to which the provisions of special statue relating to chit fund are applicable. Accordingly paragraph (xiii) of the order is not applicable.

(xiv) According to the information and explanations given by management, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly paragraph (xiv) of the order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks or financial institutions.

(xvi) In our opinion and according to the information and explanations given to us, the company has not taken any term loan.

(xvii) Based on our examination of the balance sheet of the company as at 31st March 2010, and information and explanations given to us, we report that funds raised on a short-term basis have not been used for long-term investment.

(xviii) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956, during the year.

(xix) According to the information and explanation given to us, there are no outstanding debentures whether redeemable or non redeemable.

(xx) The Company has not raised any money by public issue during the year.

(xxi) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
Membership No.: 089285
Firm Registration No.: 000389N

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Balance Sheet as at 31st March, 2010

	Schedules	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	771,319,000	500,000
Unsecured Loan	2	31,073,690	108,133,000
		802,392,690	**108,633,000**
APPLICATION OF FUNDS			
Fixed Assets			
a) Capital Work-in-Progress	3	800,159,445	107,794,220
CURRENT ASSETS, LOANS AND ADVANCES	4	4,612,537	500,000
LESS :CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	5	3,062,699	313,410
NET CURRENT ASSETS		**1,549,838**	**186,590**
Deferred Tax Assets		9,646	-
Profit & Loss A/c		21,571	-
Miscellaneous Expenditure	6	652,190	652,190
		802,392,690	**108,633,000**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	7		

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Balance Sheet referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Profit and Loss Account for the year ended 31st March, 2010

	Schedules	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME		5,020	-
		5,020	**-**
EXPENDITURE			
ROC Fees		4,081	-
Conveyance Expenses		879	-
Miscellaneous Expenses		944	-
Auditor Remuneration		30,333	-
		36,237	-
Profit / loss before taxation		(31,217)	-
Taxation for the year			
-Current Tax		-	-
-Deferred Tax		9,646	-
Profit / loss after tax		**(21,571)**	-
Profit/Loss for earlier years		-	-
Profit carried forward to balance sheet		(21,571)	-
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	7		

The schedules referred to above and the notes thereon form an integral part of the Accounts.
This is the Profit and Loss Account referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Schedules Forming Part of the Accounts for the year ended 31st March 2010

1. SHARE CAPITAL

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
AUTHORISED		
125,000,000 Equity Shares of Rs.10/- each (Previous Year 100,00,000 Shares)	1,250,000,000	100,000,000
	1,250,000,000	**100,000,000**
ISSUED SUBSCRIBED AND PAID UP CAPITAL		
50,000 Equity Shares of Rs. 10/- each fully paid up (Previous Year 50,000 Equity Shares)	500,000	500,000
Share Application Money Pending Allotment	770,819,000	-
	771,319,000	**500,000**

2. UNSECURED LOAN

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
From Companies Under The Same Management	31,073,690	108,133,000
	31,073,690	**108,133,000**

3. FIXED ASSETS

(Rs.)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK WDV AS AT 31.03.10	NET BLOCK WDV AS AT 31.03.09
	AS AT 01.04.09	ADDITIONS	DELETIONS	AS AT 31.03.10	AS AT 01.04.09	DURING YEAR	DELETIONS	AS AT 31.03.10		
Intangible Asset-Work in Progress	107,794,220	692,365,225	-	800,159,445	-	-	-	-	800,159,445	107,794,220
TOTAL	**107,794,220**	**692,365,225**	**-**	**800,159,445**	**-**	**-**	**-**	**-**	**800,159,445**	**107,794,220**
Previous Year	-	107,794,220	-	107,794,220	-	-	-	-	107,794,220	-

4. CURRENT ASSETS, LOANS & ADVANCES

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Cash and Bank Balances		
Cash in hand	500000	500,000
Balance With Scheduled bank in Current account	4007517	-
Balance With Scheduled bank in Fixed deposit including interest accrued	105020	-
	4,612,537	**500,000**
	4,612,537	**500,000**

Schedules Forming Part of the Accounts for the year ended 31st March 2010

5. CURRENT LIABILITIES

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Sundry Creditors	1,009,817	269,026
Amount Due to Company Under the Same Management	1,995,802	-
Other Liabilities	-	11,030
Duties & Taxes	57,080	33,354
	3,062,699	**313,410**

6. MISCELLANEOUS EXPENDITURE

	As At 31st March,2010 (Rs.)	As At 31st March,2009 (Rs.)
Preliminary Expenses (To the extent not written off or adjusted)	652,190	652,190
	652,190	**652,190**

7. Significant Policies and Notes to accounts for the year ended 31.03.2010

1) BASIS OF PREPARATION

The Financial Statements have been prepared to comply in all material respect with the mandatory Accounting Standards (AS) issued by Institute of Chartered Accountants of India and the relevant provision of the Companies Act, 1956 ("the Act "). The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies applied by the company are consistent with those used in the previous year.

2) INTANGIBLE ASSETS - WORK IN PROGRESS

Capital Work In Progress includes direct and indirect expenditure incurred for the Bus terminal-Cum Commercial Complex project and costs incidental and related there to.

Expenses incurred relating to the development of Bus terminal- cum Commercial Complex project prior to commencement for commercial operations are included under Capital Work-in-progress.

3) INVESTMENTS

Current Investments are stated at Cost or Market value whichever is lower.

4) BORROWING COST

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use.

5) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if:

a) The company has a present obligation as a result of past event .
b) A probable outflow of resources is expected to settle the obligation and
c) The amount of obligation can be reliably estimated.

Contingent liability is disclosed in the case of:

a) A present obligation arising from a past event, when it is not probable that an outflow of resource will be required to settle the obligation.

b) A possible obligation unless the probability of outflow of resource is remote.

Contingent assets are neither recognized nor disclosed.

Provisions, Contingent liabilities and Contingent Assets are reviewed at each balance sheet date.

6) **Preliminary Expenses** are written off in the year of commencement of operation.

7) **Dividend:** Dividends are accounted when the right to receive the payment is established.

Notes forming part of the Accounts as at 31st March, 2010

1. BACKGROUND

C & C Towers Ltd. was incorporated under the Companies Act, 1956 on 27th March 2009 as a Special Purpose Vehicle of M/s C & C Constructions Ltd. for design, engineering, finance, construction, operation and maintenance of Mohali Bus Terminal- Cum Commercial Complex in the state of Punjab under Development of Bus terminal- cum commercial complex on build, operate and transfer (BOT) basis. This contract was awarded by Greater Mohali area Development Authority.

As per the Concession Agreement the Ownership of the project continues to vest with the GMADA. The Concession period comprises of 20 years which includes construction period of 18 months to 30 months. Revenue will be recognised from the date of completion of the construction period.

2. FIXED ASSETS

The Company being the service concession operator, has received an intangible asset from the grantor, Greater Mohali area Development Authority, in exchange for the construction of the Project, in the form of the right to collect and retain the appropriate Adda Fees, User Charges and Rentals from commercial complex from Buses and other Users using the Project facility and the revenue from displaying advertisements during the concession period.

The construction costs including interest and preliminary expenses constituting a right incurred during the period have been recognized as an intangible asset, in accordance with the recognition criteria prescribed by Accounting Standard 26 issued by Institute of Chartered Accountants of India.

3. DEPRECIATION

i) Bus Terminal cum - Commercial complex project cost will be amortized over the concession period.

ii) Depreciation on other depreciable assets is calculated on straight line method in accordance with Schedule XIV of the Companies Act 1956.

4. AUDITORS' REMUNERATION

Auditors Remuneration for the year has been charged to accounts as below:

(Rs.)

Remuneration	2009-2010	2008-2009
Audit Fee	11030/-	11,030/-
Fee for Other Services	19303/-	Nil

5. There has been no transaction during the year 2009-2010 with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development Act. (MSMED Act, 2006).

6. DISCLOSURE IN ACCORDANCE WITH ACCOUNTING STANDARD –18, RELATED PARTY TRANSACTIONS

A. List of Related Party:

Name of The Related Party	Relationship
C & C CONSTRUCTIONS LIMITED	EPC Contractor
C and C PROJECTS LIMITED	Promoter Company
Gurjeet Singh Johar	Director
Charanbir Singh Sethi	Director
Sanjay Gupta	Director

B. Transaction with related party:

I. C AND C PROJECTS LIMITED – PROMOTER COMPANY

i. Equity Contribution Received	Rs. 4.99 Lakhs
ii. Unsecured Loan Received	Rs.310.74 Lakhs

II. C&C REALTORS LTD

i. Share Application Money Received	Rs. 770.82 Lakhs
ii Advance Received	Rs.318/-

III. C & C CONSTRUCTIONS LIMITED

i. Work Contract Awarded	Rs. 31649.78 Lakhs
ii Outstanding Balance included in Current Liabilities	Rs.19.95 Lakhs

7. **Deferred tax:-**

	31.03.2010	31.03.2009
DTA on carried forward of losses	Rs.9646/-	Rs.Nil
Total	Rs.9646/-	Rs.Nil

8. The Company being engaged in Development of Bus Terminal cum- Commercial Complex on Build, Operate and Transfer (BOT) basis does not have more than one segment reportable.

9. Previous year figures are regrouped, reclassified and rearranged wherever considered necessary to make them comparable to that of current year.

10. The nature of the company's business / activities during the period is such that other additional information pursuant to paragraph 3 & 4 of para II of schedule VI of the Companies Act, 1956 are not applicable.

Signature to Schedules 1 to 7 in terms of our attached report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Cash flow Statement for the year ended March 31, 2010

		2009-2010 (Rs.)		2008-2009 (Rs.)	
A.	NET CASH FLOW FROM OPERATING ACTIVITIES				
	Profit before Tax	(31,217)			-
	Operating Profit before Working Capital Changes		(31,217)		-
	(Increase)/Decrease in Loans & Advances	-		-	
	(Increase)/Decrease in current liabilities	2,749,289		313,410	
			2,749,289		313,410
	Cash Generated from Operations		2,718,072		313,410
	Income Taxes Paid		-	-	-
	Cash Flow from Operating Activities		2,718,072		313,410
B.	CASH FLOW FROM INVESTING ACTIVITIES		-	-	-
	Fixed Assets - Addition to intangible Assets (BOT)	(692,365,225)		(107,794,220)	
	cash flow from investment activities		(692,365,225)		(107,794,220)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Share Capital	770,819,000		500,000	
	Proceed from short term loan	-77,059,310		108,133,000	
	Preliminary Exp.			(652,190)	
	Net Cash Flow from Financing Activities		693,759,690		107,980,810
	NET INCREASE/(DECREASE), in Cash and Cash Equivalents		4,112,537		500,000
	CASH AND CASH EQUIVALENTS, at the beginning of the year		500,000		-
	CASH AND CASH EQUIVALENTS, at the end of the year		4,612,537		500,000

For A S G & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Amar Jeet Singh
Partner
M.No. 089285

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details		
	CIN	**State Code**
	U45206HR2009PLC038928	
	Balance Sheet Date	
	31 03 2010	
	Date **Month** **Year**	
II. Capital raised during the year (Amount in Rs. Thousands)		
	Public Issue	**Rights Issue**
	NIL	NIL
	Bonus Issue	**Private Placement**
	NIL	NIL
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities	**Total Assets**
	802392.69	802392.69
Sources of Funds	**Paid-up Capital**	**Reserves and Surplus**
	500.00	NIL
	Secured Loans	**Unsecured Loans**
	NIL	31073.69
	Deferred Tax Assets (Net)	
	9.65	
Application of Funds	**Net Fixed Assets**	**Investments**
	800159.45	NIL
	Net Current Assets	**Misc. Expenditure**
	1549.84	652.19
	Accumulated Losses	
	21.57	
IV. Performance of Company (Amount in Rs. Thousands)	**Turnover**	**Total Expenditure**
	5.02	36.24
(Please tick Appropriate box +for Profit, - for Loss)	**Profit/Loss before Tax**	**Profit/Loss after Tax**
	-31.22	-21.57
	Earning Per Share in Rs.	**Dividend rate (%)**
	-0.19	NIL
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)		
Product Description:	Construction	

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Director
DIN-00070530

Charanbir Singh Sethi
Director
DIN-00187032

Place: Gurgaon (Haryana)
Dated: 14th August, 2010

CONSOLIDATED FINANCIALS

Auditors' Report

To The Board of Directors
of C & C Constructions Ltd.

We have audited the attached Consolidated Balance Sheet of C & C Constructions Ltd. (the Company) and its subsidiaries and joint ventures (C & C Group) as at June 30, 2010, the Consolidated Profit and Loss Account of C & C Group for the year ended on that date and the Consolidated Cash Flow Statement of the C & C Group for the Year ended on that date, annexed thereto. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards Generally Accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the Accounting Principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of 2 jointly controlled entities included in the consolidated financial statements. Out of the 2, financial statements and other financial information of one entity have been audited by other auditors and financial statements of the other entity have been certified by the management of the Company, whose reports have been furnished to us and our opinion in so far as it related to the amounts included for such jointly controlled entities is based solely on the report of other auditors and the management certificate. The such entities reflect (to the extent of proportionate share of C & C Group and reflected in consolidated financial statements) total assets of Rs. 20768.97 Lacs as on 30th June,2010, total revenue of Rs. Nil for the year

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards -Consolidated Financial Statements (AS-21) and Financial Reporting of Interests in Joint Ventures (AS-27) prescribed by Companies (Accounting Standards) Rules, 2006.

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

a In Case of the consolidated Balance Sheet, of the state of affairs of the C & C Group as June 30, 2010;

b In case of consolidated Profit and Loss account, of the profit of C & C Group for the year ended on that date; and

c In the case of the consolidated Cash Flow Statement, of the cash flows of the C & C Group for the year ended on that date.

For ASG & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285
Firm Registration No. 000389N

Place: Gurgaon
Dated: 27th August, 2010

Consolidated Balance Sheet as at 30th June, 2010

	Schedules	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	233,892,600	182,599,760
Share Application Money Pending Allotment (Associate Company)		42,632,450	-
Reserves and Surplus	2	5,059,210,671	3,286,898,245
Minority Interest in subsidiary Companies		180	120
LOAN FUNDS			
Secured Loans	3	8,341,304,086	6,742,515,219
Deferred Tax Liability (Net)	12	369,754,301	159,519,770
		14,046,794,288	**10,371,533,114**
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	4	5,055,299,288	4,071,528,673
Less: Depreciation		1,274,226,234	858,999,752
Net Block		3,781,073,054	3,212,528,921
Capital Work-in-progess		2,566,159,172	1,493,762,725
		6,347,232,226	**4,706,291,646**
INVESTMENTS	5	221,933,053	132,500
Deferred Tax Assets (Subsidiary Companies)		1,023,794	679,180
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	8,720,545,787	3,471,649,867
Sundry Debtors	7	1,412,673,425	2,993,964,129
Cash and Bank Balances	8	900,378,126	874,909,424
Loans and Advances	9	2,193,739,928	2,986,951,425
		13,227,337,266	**10,327,474,845**
LESS: CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	10	5,578,388,810	4,548,877,777
Provisions	11	183,716,839	118,898,422
		5,762,105,649	**4,667,776,199**
NET CURRENT ASSETS		**7,465,231,617**	**5,659,698,646**
Miscellaneous Expenditure		11,373,598	4,731,142
		14,046,794,288	**10,371,533,114**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18		

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

Consolidated Profit and Loss Account for the year ended 30th June, 2010

	Schedules	2009-2010 (Rs.)	2008-2009 (Rs.)
INCOME			
Work Executed		11,621,255,437	7,418,702,256
Other Income	13	74,663,465	52,397,481
		11,695,918,902	**7,471,099,738**
EXPENDITURE			
Construction Expenses	14	7,638,288,705	5,051,959,841
Staff Expenses	15	1,235,322,322	659,343,801
General and Administration Expenses	16	616,191,160	489,665,928
Interest	17	735,219,498	525,081,447
Depreciation		455,310,908	257,854,109
		10,680,332,593	**6,983,905,126**
Profit before Tax		**1,015,586,309**	**487,194,611**
Taxes for the year:			
-Current Tax		182,058,029	73,873,755
-Deferred Tax		209,899,564	80,255,176
-Fringe Benefit Tax		-	3,316,300
Profit after Tax		**623,628,716**	**329,749,380**
Add: Profit brought forward		1,270,430,910	1,074,427,981
Profit available for Appropriation		**1,894,059,626**	**1,404,177,361**
Appropriations			
Proposed Final Dividend		64,320,465	50,214,934
Dividend tax		10,682,825	8,531,517
Transfer to General Reserve		75,000,000	75,000,000
Balance Carried to Balance Sheet		1,744,056,336	1,270,430,910
		1,894,059,626	1,404,177,361
Earning per share of face value of Rs.10/- each (EPS)			
-Basic		32.20	18.06
-Diluted		32.20	18.06
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18		

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.
This is the Profit and Loss Account referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Place: Gurgaon
Date: 27th August, 2010

Deepak Nathani
Company Secretary

Schedules to the Consolidated Balance Sheet as at 30th June, 2010

1. SHARE CAPITAL

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
AUTHORISED		
29,800,000 (19,800,000) Equity Shares of Rs. 10/- each	298,000,000	198,000,000
2,00,000 (2,00,000)Preference Shares of Rs. 10/- each	2,000,000	2,000,000
	300,000,000	**200,000,000**
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
2,33,89,260 (18259976)Equity Shares of Rs. 10/- each fully paid up*	233,892,600	182,599,760
	233,892,600	**182,599,760**

* of the above

(i) 62,300 (62,300) equity shares of Rs. 10 each were issued as fully paid up shares pursuant to contracts for consideration other than cash

(ii) 1,00,69,394 (1,00,69,394) equity shares of Rs. 10 each were allotted as fully paid up Bonus shares by capitalisation of Reserve

2. RESERVES & SURPLUS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Capital Reserve (Government grants)		
At the commencement of the year	82,761,000	-
Add: Addition during the year	107,611,997	82,761,000
	190,372,997	**82,761,000**
Foreign Project Reserve Account	10,540,851	10,540,851
Less - Transfer to general Reserve	10,540,851	-
	-	**10,540,851**
Share Premium Account		
As at the commencement of year	1,420,627,028	1,420,627,028
Add: Addition during the year	1,217,408,412	-
Less: Share issue expenses	32,682,101	-
	2,605,353,339	**1,420,627,028**
Foreign Currency Translation Reserve		
As at the commencement of year	68,651,305	18,229,190
Add: Addition/(Deduction) for exchange	(68,651,305)	50,422,115
	-	**68,651,305**
General Reserve		
At the commencement of the year	433,887,151	358,887,151
Add: Transfer from Profit & Loss Account	75,000,000	75,000,000
Add: Transfer from Foreign Project Reserve Account	10,540,851	-
	519,428,002	**433,887,151**
Profit & Loss Account		
At the commencement of the year	1,270,430,910	1,074,427,981
Add: Addition for the Year	548,625,426	271,002,929
Less - Transfer to general Reserve	75,000,000	75,000,000
	1,744,056,336	**1,270,430,910**
	5,059,210,671	**3,286,898,245**

Schedules to the Consolidated Balance Sheet as at 30th June, 2010

3. SECURED LOANS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
From Banks		
Working Capital Borrowing	4,326,341,541	3,204,868,422
Term Loans	1,205,616,270	1,446,273,417
From Others		
Term Loans	2,199,943,887	1,118,552,021
Hire Purchase Finance	609,402,388	972,821,359
	8,341,304,086	**6,742,515,219**

Notes:

a) Working Capital Borrowings are secured by first charge over stocks, book debts and other current assets of the Company, second charge over fixed assets of the Company, corporate guarantee of associate company and personal guarantees of promoter directors.

b) Term Loans availed from working capital bankers are secured by first charge on fixed assets, second charge on the current assests of the Company and personal guarantees of Promoter directors. Term Loans/ Demand Loans from other institutions / banks are secured by second charge over fixed assets of the Company, subservient charge over entire assets of the Company, personal guarantees of promoter directors, Corporate guarantees of associate companies and pledge of some portion of shares in the Company held by individual/ corporate promoters.

c) Hire purchase finances are secured by hypothecation of specific assets procured under the respective hire purchase agreements and personal guarantees of promoter directors.

d) Term Loans include Rs.10377.2 Lacs (Rs. 14498 lacs) falling due for payment within next 12 months.

e) Hire Purchase Finance includes Rs. 3164.86 lacs (Rs.4298 lacs) falling due for payment within 12 months

4. FIXED ASSETS

(Rs.)

		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sr. No.		As at 1st July 2009	Addtions During the year	Adjustments During the year	As at 30th June 2010	As at 1st July 2009	For the Year	Adjustments During the year	As at 30th June 2010	As at 30th June 2010	As at 30th June 2009
A	TANGIBLE ASSETS										
1	LAND	41,570,598	-	-	41,570,598	-	-	-	-	41,570,598	41,570,598
2	BUILDING	165,352,770	-	-	165,352,770	5,034,326	2,695,250	-	7,729,576	157,623,194	160,318,444
3	TEMPORARY SHEDS	273,110,003	157,878,409	114,232	430,874,181	179,476,462	169,150,786	114,231	348,513,017	82,361,164	93,633,541
4	PLANT & MACHINERY	2,718,572,861	627,341,758	51,299,133	3,294,615,486	469,621,329	170,264,238	31,092,234	608,793,333	2,685,822,153	2,248,951,532
5	TIPPERS & TRACTORS	582,159,350	211,055,713	9,222,485	783,992,578	132,890,117	77,708,844	7,602,708	202,996,253	580,996,325	449,269,233
6	OFFICE EQUIPMENTS	63,091,505	13,606,992	280,778	76,417,720	9,649,315	5,083,874	94,380	14,638,809	61,778,911	53,442,190
7	COMPUTERS	41,884,823	9,028,337	56,389	50,856,771	15,335,912	7,732,102	25,634	23,042,380	27,814,391	26,548,911
8	FURNITURE & FIXTURES	42,892,436	7,308,355	142,104	50,058,687	12,161,911	6,849,076	103,230	18,907,757	31,150,930	30,730,525
9	VEHICLES	131,826,200	18,774,770	2,198,743	148,402,227	32,173,793	13,943,762	1,052,009	45,065,546	103,336,681	99,652,407
	Total :-	4,060,460,546	1,044,994,334	63,313,862	5,042,141,018	856,343,165	453,427,933	40,084,426	1,269,686,671	3,772,454,346	3,204,117,380
B	INTANGIBLE ASSETS	11,068,127	2,090,143	-	13,158,270	2,656,587	1,882,975	-	4,539,563	8,618,708	8,411,541
	Grand Total :-	4,071,528,673	1,047,084,477	63,313,862	5,055,299,288	858,999,752	455,310,908	40,084,426	1,274,226,234	3,781,073,054	3,212,528,921
	Previous Year	2,594,767,214	1,543,427,045	66,665,585	4,071,528,673	604,251,227	257,854,108	3,105,583	858,999,752	3,212,528,921	1,990,515,987
C	Capital work in progress									2,566,159,172	1,493,762,725

Note 1: Intangible assets comprise mainly Softwares, licences and cost incurred on implementation of oracle ERP system.

Note 2 : Capital Work in Progress mainly comprise BOT (Built, Operate, & Transfer) Projects undertaken by the subsidiary and associate companies which are yet to be completed, hence pending for capitalisation.

Schedules to the Consolidated Balance Sheet as at 30th June, 2010

5. INVESTMENTS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
LONG TERM INVESTMENTS		
Quoted		
Investment in Equity Shares		
- 2170950 Equity shares of Jaypee Infratech Ltd. of Rs. 10/- each	206,175,815	-
Unquoted		
Investment in Government and Trust Securities		
- National Saving Certificates (Pledged with Various Government Authorities)	132,500	132,500
Equity Shares of Mokama-Munger Highway Ltd. of Rs.10/- each at cost	249,990	-
Application Money Pending Allotment		
- BSC-C and C Kurali Toll Road Ltd. (an associate company)	374,748	-
- SBI Mutual Fund	15,000,000	
	221,933,053	**132,500**
Quoted Investment (at cost)	**206,175,815**	**-**
Unquoted Investment (at cost)	**15,757,238**	**-**
Market Value of Quoted Investment	**195,385,500**	**-**

6. INVENTORIES

		As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
As certified by the Management			
Raw materials*		1,170,619,552	1,069,811,019
Stores, Spares and Consumables*		327,186,825	185,844,185
Work-in-progress			
At estimated realisable value on sale	18,798,230,833		9,642,450,107
Less: Progress bills raised	11,621,255,437		7,501,308,274
Due from Customers		7,176,975,396	2,141,141,833
Material in Transit		45,764,014	74,852,830
		8,720,545,787	**3,471,649,867**

*Valued at cost or net realisable value whichever is lower

Schedules to the Consolidated Balance Sheet as at 30th June, 2010

7. SUNDRY DEBTORS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Unsecured		
Debts outstanding for a period exceeding six months -		
-Considered good	17,197,777	33,354,300
Others - Considered good	1,395,475,648	2,960,609,829
	1,412,673,425	**2,993,964,129**

8. CASH AND BANK BALANCES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Cash in hand	11,371,224	34,434,223
Balances with scheduled banks		
- in Current Accounts	269,498,433	110,229,949
- in Fixed Deposit With Banks (Including Interest accrued thereon)	617,556,323	721,013,799
Balance with non-scheduled banks		
- in Current Accounts	1,952,146	9,231,453
	900,378,126	**874,909,424**

9. LOANS AND ADVANCES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Unsecured, Considered Good		
Advances Recoverable in cash or kind or for value to be received	786,933,142	1,741,339,127
Retention Money Receivable	763,175,665	347,677,077
Security Deposits	47,028,424	26,061,601
Balances with Joint Ventures	390,245,752	709,587,085
Advance Tax (Net of Provisions)	206,356,945	162,286,535
	2,193,739,928	**2,986,951,425**

Schedules to the Consolidated Balance Sheet as at 30th June, 2010

10. CURRENT LIABILITIES

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Sundry Creditors	1,651,242,123	1,050,771,485
Acceptances	1,386,975,013	991,792,001
Interest Accrued but not due	22,678,786	535,968
Mobilization and Material Advance from Employers	2,037,250,483	2,284,370,950
Other Liabilities	479,951,153	221,270,730
Unclaimed Dividends	291,252	136,643
	5,578,388,810	**4,548,877,777**

11. PROVISIONS

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Fringe Benefit Tax	-	1,756,865
Proposed Dividend	64,320,465	50,214,934
Dividend Tax	10,682,825	8,531,517
Employee Retirement Benefits	108,458,154	58,179,607
Other Provision	255,395	215,500
	183,716,839	**118,898,422**

12. DEFERRED TAX LIABILITY (NET)

	As At 30th June, 2010 (Rs.)	As At 30th June, 2009 (Rs.)
Deferred Tax Liability		
Depreciation - Difference in Depreciation for Accounting and Tax purpose	409,491,370	176,026,603
Less: Deferred Tax Assets		
Employees' Retirement Benefits	30,513,700	16,632,321
Others	9,297,020	-
	369,680,650	**159,394,282**
Add: Deferred Tax Liability of an associate company	**73,651**	**125,488**
	369,754,301	**159,519,770**

Schedules to the Consolidated Profit and Loss Account for the year ended 30th June, 2010

13. OTHER INCOME

	2009-2010 (Rs.)	2008-2009 (Rs.)
Miscellaneous Income	74,663,465	52,397,481
	74,663,465	**52,397,481**

14. CONSTRUCTION EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Cost of Material		
Raw Materials and Components	9,160,598,743	4,558,970,204
Stores, Spares and Consumables	1,576,025,856	893,779,469
	10,736,624,599	**5,452,749,673**
Add: Opening Stock		
Raw Materials and Components	1,070,884,854	798,238,331
Stores, Spares and Consumables	259,623,180	122,155,164
Work in Progress	2,141,141,833	1,191,800,490
Less: Closing Stock		
Raw Materials and Components	1,170,619,552	1,070,884,854
Stores, Spares and Consumables	327,186,825	259,623,180
Work in Progress	7,176,975,396	2,141,141,833
	5,533,492,693	**4,093,293,791**
Project Execution Expenses		
Construction Expenses	1,061,040,477	219,865,899
Site Development Expenses	52,435,058	138,864,882
Hire Charges	412,890,393	193,556,208
Repair and Maintenance		
- Plant & Machinery	460,048,573	339,261,991
- Vehicles	102,728,406	61,350,282
- Others	15,653,105	5,766,789
	2,104,796,012	**958,666,050**
	7,638,288,705	**5,051,959,841**

15. STAFF EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Salaries, Wages and Bonus	996,575,484	527,669,994
Contribution to and Provision for:		
Provident Fund	29,388,636	18,407,981
Gratuity	16,410,655	10,382,411
Leave Encashment	41,183,722	15,473,852
Staff Welfare	151,763,825	87,409,562
	1,235,322,322	**659,343,801**

Schedules to the Consolidated Profit and Loss Account for the year ended 30th June, 2010

16. GENERAL AND ADMINISTRATION EXPENSES

	2009-2010 (Rs.)	2008-2009 (Rs.)
Travelling and Conveyance	34,084,783	22,173,327
Printing and Stationery	17,443,168	13,506,183
Telephone & Communication	22,783,872	15,837,771
Electricity	16,419,871	8,070,607
Legal and Professional	124,756,426	100,687,508
Rent	20,993,674	20,575,459
Rates and Taxes	8,963,246	20,595,471
Insurance	59,101,582	43,939,485
Auditors Remuneration	3,748,738	3,346,891
Directors' Commission	6,600,000	-
Miscellaneous Expenses	126,587,639	72,024,174
Bank Guarantees Commission	102,055,803	81,515,288
Bank Commission & Financial Charges	70,883,815	86,157,422
Preliminary Expenses	1,768,543	1,236,343
	616,191,160	**489,665,928**

17. INTEREST

	2009-2010 (Rs.)	2008-2009 (Rs.)
Interest on Fixed Term Loans	313,846,904	201,979,082
Interest Others	463,746,869	377,674,459
	777,593,773	579,653,541
Less: Interest Income	42,374,275	54,572,094
	735,219,498	**525,081,447**

Schedules to Balance Sheet and Profit and Loss Account for the Year ended 30th June, 2010

18. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. Significant Accounting Policies

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and comply with the Accounting Standards and Generally Accepted Accounting Principles (GAAP) in India.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Actual results could differ from these estimates, difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3. PRINCIPLES OF CONSOLIDATION

I) The Financial Statement of the parent company and its subsidiaries have been consolidated on line by line basis by adding together the book value of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and the unrealised profit/ losses on intra group transactions, presented to the extent possible, in the same manner as the company's independent financial statement.

II) Investment in Associates companies have been accounted for, by using equity method whereby investment is initially recorded at cost and the carrying amount of investment is adjusted thereafter for post acquisition change in the company share of net assets of the associates. Investment in associates is accounted for as per Accounting Standard (AS) 13 issued by The Institute of Chartered Accountant of India.

III) The Company's interest in joint ventures are consolidated to the extent of Company's interest in the joint ventures and are consolidated on the line-by line basis by adding together the book values of assets, liabilities, income and expenses after eliminating intra group balances the unrealised profit/ losses on intra group transactions

4 FIXED ASSETS AND CAPITAL-WORK-IN-PROGRESS

Fixed assets are stated at cost, less accumulated depreciation up to the date of the balance sheet. Cost includes duties & taxes but does not include inwards freight & incidental expenses related to acquisition and installation of the assets.

Intangible assets comprise of licence fees and other implementation cost for software Oracle finance (ERP) acquired, for in-house use.

Capital work-in-progress includes cost of fixed assets that are not yet ready for their intended use and advance paid to acquire fixed assets.

5 DEPRECIATION

a) Depreciation on the assets of the Company is charged on straight line method at the rates specified in Schedule XIV of Companies Act, 1956, on single shift basis, including those purchased under hire purchase agreements, except Depreciation on Plant & Machineries deployed at Afghanistan Projects are charged at a rate higher than the stipulated by the Companies Act 1956, based on the useful life of the Asset, as estimated by the Management. The useful life of such assets is follows:

Assets	Years
Plant & Machinery (Crusher, WMM, HMP & Batching Plant)	2
Plant & Machinery	7
Tipper & Tractor	2

(b) Software and implementation cost including users licence fees of the Enterprise Resource Planning System (ERP) and other application software costs are amortised over a period of Five years.

(c) Assets costing less than Rs. 5,000/- are depreciated hundred percent in the year of purchase

6. INVESTMENTS

Investments are valued at cost of acquisition. No provision for diminution in value, if any, is made, if considered to be temporary in nature.

7 INVENTORIES

a) Raw Material and Stores are valued at the lower of cost or net realisable value. The cost is arrived at by first-in-first out method except cost of spares which is valued at weighted average method.

b) Work-in-progress is valued at Net realisable value

8. RETIREMENT BENEFITS TO EMPLOYEES

Defined contribution obligation: Company's contribution to provident fund and Employees State Insurance are defined contribution obligations which are charged to the Profit & Loss Account on accrual basis.

Defined benefit obligations: Gratuity and Earned Leaves are defined benefit obligations which are recognized on actuarial valuation basis.

9. REVENUE RECOGNITION

Revenue is recognised as follows:

i) Contract revenue is recognised by adding the aggregate cost and proportionate margin, using the percentage completion method, Percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Foreseeable losses are accounted for as and when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.

   Claims are accounted as income in the year of receipt of arbitration award or acceptance by client.

ii) Revenue from contracts executed in Joint Ventures (Jointly Controlled Operations, in terms of Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures"), is recognised on the same basis as similar contracts independently executed by the Company.

iii) Small Insurance claims are accounted for on cash basis and major claims are accounted for as and when the same are lodged.

iv) All other expenses and income are accounted for on accrual basis.

10. BORROWING COSTS

Borrowing Cost that are attributable to the acquisition, construction of qualifying assets are capitalised as part of cost of such assets up to the date the assets are ready for its intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

11. TAXATION

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961.

b) Deferred Tax is recognised subject to the consideration of prudence, 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. Deferred Tax Asset is recognised and carried forward only to the extent that there is virtual certainty that the asset will be adjusted in future.

c) Provision for Income Tax has been made on the taxable income for the tax year ended 31st March, 2010. Provision for Income Tax, if any, in respect of income accrued during the period 1st April, 2010 to 30th June, 2010 would be determined and provided with reference to the profit, if any, for the year ending 31st March, 2011.

12. FOREIGN CURRENCY TRANSACTIONS, FOREIGN OPERATIONS, AND FORWARD CONTRACTS

a) The reporting currency of the Company is Indian Rupee.

b) Foreign operations have been classified as integral foreign operations and financial statement are translated as under:

i) Assets and liabilities (both Monetary and Non-Monetary) at the rate prevailing at the end of the year.

ii) Revenue and Expenses at yearly average Exchange Rates prevailing during the year. Exchange difference arising on translation is recognised as income or expense of the period in which they arise.

c) Monetary Assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The differences in translation of monetary assets and liabilities and unrealised gains or losses on foreign currency transactions are recognised in the profit and loss account.

13. ACCOUNTING OF JOINT VENTURES

Jointly Controlled Operations:

In respect of joint venture contracts in the nature of Jointly Controlled Operations, the assets controlled, liabilities incurred, the share of income and expenses incurred are recognised in the agreed proportions under respective heads in the financial Statement.

14. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine,

a) The provision for impairment loss, if any, required or

b) The reversal, if any, required of impairment loss recognised in previous periods.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount, Recoverable amount is determined

a) in the case of an individual asset, at the higher of the net selling price and the value in use.

b) in the case of a cash generating unit (a group of assets that generates identified independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).

15. CHANGE IN ACCOUNTING POLICY IN RESPECT TO FOREIGN OPERATIONS IN JOINT VENTURE

The Joint Venture operations in Afghanistan have been reclassified in accordance with AS-27 as integral operations in lieu of non- integral from the financial year 2009-10. Due to the change in accounting policy, the profit for the year has increased by a sum of Rs. 686 lacs

16. LEASES

i) Assets acquired under lease where the company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payment and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost.

ii) Assets acquired on lease where a significant portion of the risk and reward of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the profit & Loss account on accrual basis.

17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if,

a) the company has a present obligation as a result of past event,

b) a probable outflow of resources is expected to settle the obligation and

d) the amount of the obligation can be reliably estimated.

e) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received,

Contingent Liability is disclosed in the case of:

a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.

b) a possible obligation, if the probability of outflow of resources is not remote.

Contingent Assets are neither recognised nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date

18. DERIVATIVE AND HEDGING INSTRUMENTS ACCOUNTING

In respect of derivative contracts, premium paid, gains/ losses on settlement and provision for losses for cash flow hedges are recognised in the Profit and Loss account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

B NOTES TO ACCOUNTS

1. BASIS OF PREPARATION

The Consolidated Financial Statement (CFS) are prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statement" Accounting Standard (AS) 23 "Accounting for Investment in Associates in consolidated Financial Statement" and Accounting Standard (AS) 27 "Financial Reporting of Interest in Joint Ventures"

The CFS comprises the financial Statements of C & C Constructions Ltd, its subsidiaries, Associates and Joint Ventures. Financial year of some of the subsidiaries and joint ventures do not coincide with the financial year of the parent company. Audited financial statements of these subsidiaries as per their financial year, are annexed elsewhere in this annual report. Separate Financial Statements of these Subsidiaries have been prepared for the twelve months ended on 30th June, 2010 to align with the reporting date of parent company.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR

		As at June 30th, 2010 (Rs. Lacs)	As at June 30th, 2009 (Rs. Lacs)
a)	Claims against the Company not acknowledged as debts.	49.97	78.37
b)	Statutory Liabilities that may arise in respect of matters in appeal	326.77	94.94
c)	Outstanding bank guarantees	68515.00	51411.00
d)	Outstanding letters of credit	31046.00	21041.00
e)	Corporate guarantee given on behalf of associates/joint venture entities/subsidiaries	26000.00	26000.00

Capital Commitments

Estimated amount of Contracts (net of advances) remaining to be executed on Capital Account and not provided for Rs 412.13 Lacs (Rs.1295.91 Lacs)

3. The construction activities of the company are considered as a service activity covered under para 3(II)(C) of Part-II of Schedule VI of the Companies Act, 1956. Thus, particulars in respect of installed capacities, licensed capacities, production, stocks and sales of final products/services are not applicable.

4. Value of imported raw material, stores and spares consumed and the value of all indigenous raw materials, stores and spares similarly consumed and the percentage of each to the total consumption:

	2009-10		2008-09	
	Rs.	%	Rs.	%
Raw material, stores and spares				
- Imported	702,232,718	6.64 %	496,665,234	9.85%
- Indigenous	9,867,093,539	93.36%	4,545,969,900	90.15%
	10,569,326,256	**100.00%**	**5,042,635,134**	**100.00%**

5. EARNINGS IN FOREIGN CURRENCY

	2009-10 (Rs.)	2008-09 (Rs.)
Overseas Projects and others	939,896,009	991,618,753
	939,896,009	**991,618,753**

6. CIF VALUE OF IMPORTS

	2009-10 (Rs.)	2008-09 (Rs.)
Capital Expenditure at overseas projects	8,414,226	6,436,227
Capital Expenditure in India	316,243,537	599,924,189
Raw Material, Store & Spares at overseas projects	1,000,545,470	122,830,857
Raw Material, Store & Spares in India	80,177,241	745,246,126
	1,405,380,474	**1,474,437,399**

7. EXPENDITURE IN FOREIGN CURRENCY

	2009-10 (Rs.)	2008-09 (Rs.)
Expenditure incurred at overseas contract.	889,657,273	721,847,066
Travelling Expenses, Consultancy and Tender	4,416,451	3,418,414
	894,073,724	**725,265,480**

8. (a) MANAGERIAL REMUNERATION

	2009-10 (Rs.)	2008-09 (Rs.)
Salaries and Perquisites	47,746,785	41,760,000
Contribution to Provident Fund	37,440	37,440
	47,784,225	**41,797,440**

(b) MANAGERIAL REMUNERATION AND COMPUTATION OF NET PROFIT UNDER SECTION 349 OF THE COMPANIES ACT, 1956

	2009-10 (Rs in lacs)	2008-09 (Rs in lacs)
Net Profit before Taxation	10,827.93	5,680.46
Add:		
Directors' remuneration charged to Profit & Loss Account	477.84	417.97
Commission payable to non-executive directors	66.00	-
Directors' sitting fees	8.15	1.65
Loss (Profit) on sale of Fixed Assets	(82.14)	-
Net Profit for the purpose of Section 198 of the Companies Act,1956	11,297.79	6,099.71
Maximum permissible remuneration to Whole Time Directors under Section 198 of the Companies Act,1956 @ 10% of profit computed above	1,129.78	610.00
Maximum payable as per Service agreements / Terms of appointment	**477.84**	**417.97**
Maximum permissible remuneration to non-executive directors under Section 198 of the Companies Act,1956 @ 1% of profit computed above	112.98	Not applicable
Maximum payable as decided by the Board of Directors	**66.00**	**-**

9. AUDITOR'S REMUNERATION (*)

	2009-10 (Rs.)	2008-09 (Rs.)
Audit Fees	2,243,408	1,778,608
Tax Audit Fees	631,468	496,350
Others	873,862	1,071,933
	3,748,738	**3,346,891**

(*) including service tax

10. DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 7 (REVISED)

		2009-10 (Rs.)	2008-09 (Rs.)
i	Contract revenue recognised for the financial year	**11,684,481,661**	7,501,308,274
ii	Aggregate amount of contract costs incurred and recognised profits (less recognised losses) as at end of the financial year for all contract in progress as at that date	**18,861,457,056**	9,642,450,107
iii	Amount of Customer Advance outstanding for contracts in progress as at end of the financial year	**2,037,250,483**	2,318,643,079
iv	Amount of retentions due from customers for contracts in progress as at end of the financial year	**837,902,812**	366,652,070

11. The company operates in one business segment i.e. construction. Since the company is engaged in execution of work in different countries, primary segment reporting is performed based on geographical location of operations

	2010			
Segments	**Indian (Rs.)**	**Overseas (Rs.)**	**Un-allocated (Rs.)**	**Total (Rs.)**
Revenue				
Sales & Services	10,756,022,893	939,896,009	-	11,695,918,902
Total revenue	**10,756,022,893**	**939,896,009**	**-**	**11,695,918,902**
Segment Result (Profit Before Interest & Tax)	**1,956,055,073**	**182,804,060**	**-**	**2,138,859,133**
Unallocable Expenditure	-	-	388,053,325	388,053,325
Interest	-	-	-	735,219,499
Profit Before Taxation	-	-	-	1,015,586,309
Provision for Taxation				
-Current Tax	-	-	-	182,058,029
-Deferred Tax	-	-	-	209,899,564
Profit After Taxation	-	-	-	**623,628,716**
Other Segment Information				
Segment Assets	18,103,643,270	1,482,299,820	221,933,053	19,807,876,143
Segment Liabilities	4,808,250,997	770,137,812	8,894,775,226	14,473,164,035
Capital Expenditure (Including Capital Work-in-progress)	2,062,023,817	57,457,108	-	2,119,480,925
Depreciation and amortization exp	380,609,122	76,470,329	-	457,079,451

12. DISCLOSURES OF RELATED PARTIES AND RELATED PARTY TRANSACTIONS

(i) Associate Companies
Jeet Properties (P) Ltd.
Bags Registry Services (P) Ltd.
Case Cold Roll Forming Limited
Case Components Limited
Case Component Industries Pvt. Limited
S.J. Leasing & Investment (P) Limited
Frontline Innovation (P) Ltd.
Tel Systems Ltd.
Sonar Infosys Ltd.
Amaltas Consulting P Ltd.
Pelican Educational Resources Ltd.
Pelican Vocational Education P Ltd.
FOS Laser SPA Pvt. Ltd.
Grace Developer LLC
Frontier Services LLC
Kims Wardak Diagnostic Centre Pvt. Ltd., Afghanistan
Mudit Cement Pvt. Ltd.
BSC-CandC-Kurali Toll Road Ltd.
BSC-CandC-JV Nepal (P) Ltd.
C & C Corporate Services Ltd.
Mokama – Munger Highway Ltd.

(ii) Joint Ventures
BLA-CISC-C & C 'JV'
BSC-C & C 'JV'
C & C-SE 'JV'

(iii) Subsidiary Companies
C and C Projects Ltd.
C&C Realtors Ltd.
C&C Towers Ltd. (*)

(iv) Key Managerial Personnel (Board of Directors)
Mr. Gurjeet Singh Johar
Mr. Charanbir Singh Sethi
Mr. Rajbir Singh
Mr. Sanjay Gupta
Mr. Amrit Pal Singh Chadha
Mr. Rajendra Mohan Aggarwal

(v) Relatives of Key Managerial Personnel
C.S. Sethi (HUF)
Ms. Sunita Singh Sethi
Ms. Sumeet Johar
Ms. Inderjit Kaur Chadha
Ms. Sukhvinder Kaur
Mr. Jaideep Singh Johar
Gurjeet Singh Johar (HUF)
Ms. Divya Johar
Ms. Simrita Johar
Mr. Lakhbir Singh Sethi
Ms. Jessica Sethi
Mr. Jwala Prashad Gupta
Mr. Harvinder Pal Singh Chadha

(*) Stepdown Subsidiary Company

(vi) Summary of transactions during the year:

	Associate Companies (Rs.)	Joint Ventures (Rs.)	Key Managerial Personnel (Rs.)	Relatives of Key Managerial Personnel (Rs.)	Subsidiary (Rs.)	Total (Rs.)
Income						
- Sales and Services	93,246,779	5,388,612,098	-	-	161,013,401	5,642,872,278
- Other income	63,208,966	54,920,101	-	-	-	118,129,067
Expenditure						
Material Purchase and Project Execution Expenses	142,932,731	3,361,904,838	-	-	-	3,504,837,569
- Salaries and wages	-	582,386,784	47,784,225	1,839,400	-	632,010,409
- General and Administration expenses	68,292,800	307,677,912	-	900,000	-	376,870,712
- Depreciation	-	223,801,893	-	-	-	223,801,893
Interest	-	140,571,116	-	-	-	140,571,116
Dividend paid	14,899,385	-	20,530,474	882,291	-	36,312,150
Purchase/(sale) of fixed assets	-	402,725,106	-	-	-	402,725,106
Investment as on 30.06.2010	50,000,000	-	-	-	1,230,314,160	1,280,314,160
Balance outstanding at the year end:						
- Accounts receivable	61,910,984	-	-	-	106,382,500	168,293,484
- Advances recoverable	-	-	-	-	610,593	610,593
- Current liabilities	116,757,700	-	-	-	-	116,757,700
Guarantees provided						-
- Bank Guarantees	-	1,332,037,870	-	-	-	1,332,037,870
- Corporate Guarantee	2,600,000,000	-	-	-	-	2,600,000,000

Figures in joint ventures represent our share in Joint Venture as per proportionate consolidation method.

13. Disclosure as per clause 32 of the Listing Agreement.

Loans and Advances in the nature of Loans given to Subsidiaries, Associates and others:

Name of the Company	Relationship	Amount Outstanding as at 30.06.2010 Rs. Lacs	Amount Outstanding as at 30.06.2009 Rs. Lacs	Maximum balance outstanding during the year Rs. Lacs	Investment In Shares of the Company No. of Shares
Case Components Ltd	Associate	-	199.32	247.61	-
Mudit Cement Pvt Limited	Associate	-	15.11	202.71	-
C AND C Projects Limited	Subsidiary	-	-	1195.19	44687422
C&C Realtors Ltd	Subsidiary	-	-	5.55	78343994
C&C Towers Ltd	Subsidiary (Step down)	-	-	19.95	

14. Disclosure as per Accounting Standard-AS 21 on Consolidated Financial Statements

Details of subsidiary companies included in consolidation

Name	Country of incorporation	Ownership interest	Relationship	Accounting year closing date *
C and C Projects Limited	India	wholly owned	subsidiary	31st March
C & C Realtors Limited	India	wholly owned	subsidiary	31st March
C & C Towers Limited	India	wholly owned	step down subsidiary	31st March

*where Accounting year of subsidiary company is different than the parent company

15. DISCLOSURES IN RESPECT OF JOINT VENTURES

(a) List / Financial interest in Joint Ventures

Name of the Joint Venture	Description of Interest	% of Co's Interest	Company's share of				
			Assets	Liabilities	Income	Expenses	Tax
			As at 30th June 2010		For the year		
BSC-C & C 'JV'	Jointly Controlled Operations (Construction of roads)	50%	41,556.14 (54,444.91)	41,556.14 (54,444.91)	53,655.33 (38,220.08)	44,479.30 (35,181.71)	1,424.76 (533.79)
BLA-CISC-C & C 'JV'	Jointly Controlled Operations (Construction of roads)	50%	0.56 (25.63)	0.56 (25.63)	- -	- -	- -
C & C SE JV	Jointly Controlled Operations (Construction of Water, Sewerage pipe line)	55% & 80%	601.41 (454.94)	601.41 (454.94)	779.99 (260.95)	575.44 (436.54)	13.21 -
BSC-C&C JV NEPAL PVT LTD	Jointly Controlled Operations (Crusher plant)	50%	1,499.42	1,499.42	-	-	-
BSC-C & C KURALI TOLL ROAD LTD	Jointly Controlled Operations (BOT-Road Project)	49%	19,269.55	19,269.55	-	-	-
Total			62,927.09 (54,925.48)	62,927.09 (54,925.48)	54,435.33 (38,481.03)	45,054.75 (35,618.25)	1,437.97 (533.79)

(b) Contingent liabilities, incurred in relation to interests in Joint Ventures as on 30th June 2010 is Rs.26,640.76 lacs (Rs. 19,109.52 lacs)

(c) Company's share of Contingent liabilities incurred by the Joint Ventures is Rs.318.92 lacs (RS.72.37 lacs)

(d) Capital commitments, incurred in relation to interests in Joint Ventures as on 30th June 2010 is Rs 78.00 lacs (Rs. 1162.16 lacs)

16. As per information available with the Company, the Sundry Creditors do not include any amount due to Micro, Small and Medium Enterprises registered under "The Micro, Small and Medium Enterprises Development Act".

17. Cash and Bank Balance: Details of balances kept with non-scheduled banks as on balance sheet dates and the maximum balances kept with non-scheduled banks during the period / year are as follow:

Balance with non-scheduled banks	2009-10 (Rs.)	2008-09 (Rs.)
In Current Accounts:		
Global Bank Ltd	81,712	220,969
Nepal Bank	16,686	615,604
Kabul Bank	1,952,146	9,231,453

Maximum balance held in non-scheduled banks During the period / year	2009-10 (Rs.)	2008-09 (Rs.)
In Current Accounts:		
Global Bank Ltd	408,568	2,504,500
Nepal Bank	200,623	7,821,781
Kabul Bank	37,279,921	29,068,593

18. COMPUTATION OF BASIC & DILUTED EARNINGS PER SHARE ("EPS")

	2009-10 (Rs.)	2008-09 (Rs.)
Profit after tax as per Accounts	623,628,716	329,749,380
Profit attributable to equity share holders	623,628,716	329,749,380
Weighted Average No. of Equity Shares	19,370,150	18,259,976
Face Value of Equity Shares	10.00	10.00
Basic and Diluted EPS	32.20	18.06

19. During the year, the Company has issued 31,53,000 No. of equity shares to Qualified Institutional Buyers. Share issue expenses amounting to Rs. 32,682,101/- have been adjusted against share premium.

20. Sundry Debtors includes Rs. 619.11 Lacs (Rs. 3349.21 Lacs) amount due from Associates Companies in which the Directors of the Company are interested. The maximum amount outstanding at any time during the year Rs. 3715.2 Lacs (3349.21 Lacs).

21. Disclosure pursuant to Accounting Standard AS 15 (Revised) "Employees Benefits"

Defined Benefit Plan

		2009 - 2010 (Rs.)	
		Gratuity	Leaves Entitlement
(i)	Reconciliation of opening and closing balance of Deferred Benefit obligations:		
	At the beginning of the Year	18,774,624	39,404,985
	Interest cost	1,314,224	2,758,349
	Past service cost	3,285,113	-
	Current service cost	15,239,942	39,239,553
	Benefits paid during the year	-	-1,987,872
	Actuarial (Gain) / Loss	-1,068,084	-1,573,185
	At the closing of the year	37,545,817	77,841,830
(ii)	Reconciliation of Opening and Closing balance of fair value of plan assets:		
	Fund Status as of closing of the year	6,929,493	-
(iii)	Actual gain / loss recognized:		
	Actuarial (gain) / loss for the year- Obligation	-1,068,084	-1,573,185
	Actuarial (gain) / loss for the year- Plan Assets	-	-
	Total (gain) / loss for the year	-1,068,084	-1,573,185
	Actuarial (gain) / loss recognized during the year	-1,068,084	-1,573,185
	Unrecognized actuarial (gain) / loss at the end of the year	-	-
(iv)	Amount recognized in the Balance Sheet:		
	Present value of obligation at the year end	37,545,817	77,841,830
	Fair value of plan assets at year end	6,929,493	-
	Funding status	-30,616,324	-77,841,830
	Net assets (liability) recognized in the Balance Sheet	-30,616,324	-77,841,830
(v)	Expense recognized in Profit & Loss Account:		
	Current Service Cost	15,239,942	39,239,553
	Past service cost	3,285,113	-
	Interest Cost	1,314,224	2,758,349
	Expected return on plan assets	-230,505	-
	Fund paid in earlier year	-2,285,587	-
	Net actuarial (gain) / loss recognized in the year	-1,068,084	-1,573,185
	Expenses recognized in the profit & Loss Account	16,255,103	40,424,717
(vi)	Movement in the liability recognized in the Balance Sheet:		
	Opening liability	18,774,622	39,404,985
	Expense recognized	16,255,103	40,424,717
	Benefits paid during the year	-	-1,987,872
	Contribution during the year	-4,413,401	-
	Closing net liability at year end	30,616,324	77,841,830
(vii)	Actuarial Assumptions:		
	Discounting Rate (Per Annuam)	7.8%	7.8%
	Rate of increments in the salary	10%	10%
	Rate of return on plan assets	8.5%	-
	Expected average outstanding service of the employees	32.06 Year	32.06 Year

21. HP FINANCE

Assets acquired on HP finance mainly comprise Tippers and Tractors, Excavators, Motor Graders, Crushers and Cars. The HP finance agreements have a primary period which is fixed and non cancellable. There are no exceptional / restrictive covenants in the HP agreements.

The minimum EMIs and present value of minimum EMIs as on 30th June, 2010 in respect of assets acquired under HP finance are as follows:

(Rs. in Lacs)

		Minimum payment	Present Value of Minimum payment
i.	Payable not later than 1 year	3,788.72	3,164.86
ii.	Payable later than 1 year and not later than 5 years	3,284.19	2,929.16
	Total	**7,072.91**	**6,094.02**

22. Some of Sundry Debtors, Creditors, Loans & Advances, are subject to confirmation.

23. Previous year figures (including those given in bracket) have been regrouped, rearranged and reclassified, wherever considered necessary, to make them comparable to the current year figures.

Signatures to Schedule 1 to 18

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Place: Gurgaon
Date: 27th August, 2010

Deepak Nathani
Company Secretary

Consolidated Cash Flow Statement for the year ended 30th June, 2010

(Rs. in Lacs)

		2009-10		2008-09	
A	**NET CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit before tax		**10155.86**		**4871.95**
	Depreciation	4553.11		2578.54	
	Amortisation & Misc. Expenses Written Off	(66.42)		5.84	
	Interest/Finance Charges	7352.19		4792.07	
	Exchange gain/loss on Non Integral branch	(686.51)	11152.37	504.22	7880.68
	Operating Profit before Working Capital Changes		21308.23		**12752.62**
	(increase)/Decrease in Sundry Debtors	15812.91		(8373.05)	
	(increase)/Decrease in Inventories	(52488.96)		(13594.56)	
	(increase)/Decrease in Loans and Advances	8372.82		(18040.37)	
	increase/(Decrease) in Current Liabilities	10295.11		19583.21	
	increase/(Decrease) in Provision	485.62	(17522.51)	251.01	(20173.76)
	Cash Generated from Operations		3785.72		(7421.14)
	Income Taxes Paid		2261.28		771.90
	Cash Flow from Operating Activities		**1524.44**		**(8193.04)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	(Increase)/Decrease in Investment	(2218.01)		-	
	Purchase of Fixed Assets (Including Capital work in progress)	(21194.81)		(24755.08)	
	Sale of Fixed Assets	232.29		635.60	
	Net Cash Flow from investing Activities		**(23180.52)**		**(24119.48)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceed from Share Capital	512.93			
	Share Application money	426.32			
	Share Premium	11847.26			
	Proceed from Government Grant	1076.12		827.61	
	Proceeds from Secured Loans	26881.04		12535.16	
	Repayment of Secured Loans	(22107.98)		(6512.55)	
	Proceeds from working capital/short term loans	11214.73		33936.36	
	Interest /Finance Charges Paid	(7352.19)		(4792.07)	
	Dividend & Dividend tax Paid	(587.46)		(587.46)	
	Net Cash Flow from Financing Activities		**21910.77**		**35407.04**
	NET INCREASE/(DECREASE) in Cash and Cash Equivalents		**254.69**		**3094.53**
	CASH AND CASH EQUIVALENTS, at the beginning of the year		**8749.09**		**5654.58**
	CASH AND CASH EQUIVALENTS, at the end of the year		**9003.78**		**8749.09**

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard-3 of the Companies (Accounting Standard) Rules, 2006.
This is the Cash Flow Statement referred to in our report of even date.

For A S G & Associates
Chartered Accountants

Amar Jeet Singh
Partner
M.No. 089285

Place: Gurgaon
Date: 27th August, 2010

For and on behalf of the Board of Directors

Gurjeet Singh Johar
Chairman
DIN-00070530

Charanbir Singh Sethi
Managing Director
DIN-00187032

Rajbir Singh
Director
DIN-00186632

Sanjay Gupta
Director
DIN-00221247

R.M. Aggarwal
Director
DIN-00064423

Deepak Dasgupta
Independent Director
DIN-00457925

Anand Bordia
Independent Director
DIN-00679165

Tarlochan Singh
Independent Director
DIN-00836456

Ramesh Chandra Rekhi
Independent Director
DIN-00749669

Lt. Gen. H.S. Kanwar (Retd.)
Independent Director
DIN-00792028

Arun Kumar Purwar
Nominee Director
DIN-00026383

Tapash K. Majumdar
CFO

Deepak Nathani
Company Secretary

NOTES

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