

Annual Report 2005 - 2006



C & C Constructions Private Limited

**C & C CONSTRUCTIONS PRIVATE LIMITED****Annual Report 2005-2006**

BOARD OF DIRECTORS

| | |
|-----------------|-------------------|
| G. S. Johar | Chairman |
| C. S. Sethi | Managing Director |
| Rajbir Singh | Director |
| Sanjay Gupta | Director |
| A. P. S. Chadha | Director |
| R. M. Aggarwal | Director |

COMPANY SECRETARY

Amaresh Pradhan

AUDITORS

ASG & Associates
Chartered Accountants,
74, Hemkunt Colony
Opp. Nehru Place
New Delhi - 110048

BANKERS

State Bank of India, New Delhi

REGISTERED OFFICE

74 Hemkunt Colony, New Delhi – 110048

CORPORATE OFFICE

Jay Plaza-Clear View Building, C1/B Old DLF Colony, Gurgaon, (Haryana)
Phone : 0124-4080661, 4080662, Fax : 0124-4080663
E-mail : candc@candcinfrastructure.com
Web Site : www.candcinfrastructure.com

ASG & ASSOCIATES

CHARTERED ACCOUNTANTS
74 HEMKUNT COLONY, NEW DELHI-110048.
TEL: 26418183, 26476877 FAX: 26476825
E-mail: gsjco@vsnl.com / asg@touchteindia.net

AUDITORS' REPORT

To The Members,
C&C Constructions Pvt Ltd

1. We have audited the attached Balance Sheet of **C&C Constructions Pvt Ltd** as at June 30, 2006 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 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 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 30th June 2006 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 30th June 2006;
 - (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.

Place : New Delhi
Dated : 09.08.2006

For ASG & Associates
Chartered Accountants



SANJAY GARG
(P A R T N E R)

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

- (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) According to the information and explanations given to us, the company has not taken any loan from companies, firms or other parties covered in the register maintained under section 301, of the Companies Act, 1956. The company has granted loan to one such company concerned under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year and the amount outstanding as on 30th June, 2006 was Rs.44.17 lacs.
- (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) 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, undisputed statutory dues including Provident Fund, employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities though there has been a 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 2006 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 and other statutory dues as on 30th June 2006, 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 |
|---------------------|-----------------------------|---------------------|------------------------------------|--------------------------------|
| Works Tax-Noida | Demand | 7.20 | 2001-2002 | Addl Commissioner |
| Works Tax-Noida | Demand | 6.91 | 2003-2004 | Stay at Allahabad High Court |

- (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 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 statute 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 4(xiv) of the order is not applicable.
- (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 2006, 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 and vice versa.
- (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 year ended 30th June 2006. Accordingly, paragraph 4(xix) of the order is not applicable.
- (xx) During the year ended 30th June 2006, 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**



**SANJAY GARG
(P A R T N E R)**

Place : New Delhi
Dated : 09.08.2006



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Balance Sheet as at June 30

| | Schedules | 2006 (Rs.) | 2005 (Rs.) |
|---|-----------|----------------------|----------------------|
| SOURCES OF FUNDS | | | |
| SHARE HOLDERS' FUNDS | | | |
| Share Capital | 1 | 127,811,460 | 42,603,820 |
| Reserves and Surplus | 2 | 927,849,548 | 752,607,410 |
| LOAN FUNDS | | | |
| Secured Loans | 3 | 981,973,773 | 325,228,353 |
| Deferred Tax Liabilities (Net) | 12 | 17,281,272 | 21,186,068 |
| | | 2,054,916,052 | 1,141,625,651 |
| APPLICATION OF FUNDS | | | |
| FIXED ASSETS | | | |
| Gross Block | 4 | 1,007,552,281 | 653,417,800 |
| Less: Depreciation | | 323,883,004 | 191,096,105 |
| Net Block | | 683,669,277 | 462,321,695 |
| Capital Work-in-progress | | 200,223,583 | 102,442,548 |
| | | 883,892,861 | 564,764,243 |
| INVESTMENTS | 5 | 132,500 | 132,500 |
| CURRENT ASSETS, LOANS AND ADVANCES | | | |
| Inventories | 6 | 470,573,757 | 198,130,388 |
| Sundry Debtors | 7 | 745,531,731 | 512,081,317 |
| Cash and Bank Balances | 8 | 216,558,138 | 163,358,314 |
| Loans and Advances | 9 | 571,238,620 | 246,660,071 |
| | | 2,003,902,246 | 1,120,230,090 |
| LESS :CURRENT LIABILITIES AND PROVISIONS | | | |
| Current Liabilities | 10 | 797,851,371 | 501,538,824 |
| Provisions | 11 | 35,160,183 | 41,962,358 |
| | | 833,011,554 | 543,501,182 |
| NET CURRENT ASSETS | | 1,170,890,692 | 576,728,908 |
| | | 2,054,916,052 | 1,141,625,651 |

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

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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 ASG & Associates
Chartered Accountants

Sanjay Garg
Partner

Gurjeet Singh Johar
Chairman

Charanbir Singh Sethi
Managing Director

Rajbir Singh
Director

Amaresh Pradhan
Company Secretary

A.P.S. Chadha
Director

Sanjay Gupta
Director

R.M. Aggarwal
Director

Place: New Delhi
Date : 09.08.2006