



C & C CONSTRUCTIONS LTD.  
Partners in Nation Building





**Date of Annual General Meeting:**  
23rd December, 2014

**Venue:**  
Air Force Auditorium  
Subroto Park, New Delhi-110010

**Time:** 10.00 am

**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 assumption. 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.



# NEW HOPE

“We are optimistic about the Indian growth  
as the Country has seen a momentous change  
in India’s political landscape.

This, in turn has meant new hope for  
the economy and especially the infrastructure sector.”



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# Corporate Information

**CIN - L45201DL1996PLC080401**

## **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. Anand Bordia  
Mr. Ramesh Chandra Rekhi  
Mr. Kanwal Monga  
Mr. Tarlochan Singh  
Mr. J. Ganguly  
Gen. N. C. Vij

### **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  
Indusind Bank, New Delhi  
ICICI Bank, New Delhi  
Axis Bank Ltd., Gurgaon  
IDBI Bank Ltd, New Delhi  
Oriental Bank of Commerce, Gurgaon  
Central Bank of India, New Delhi  
Standard Chartered Bank, New Delhi  
DBS Bank Ltd., New Delhi  
Barclays Bank, New Delhi

## **CORPORATE OFFICE**

Plot no. 70, Sector 32,  
Gurgaon 122001, Haryana (India)  
Phone: 0124-4536666, Fax: 0124-4536799  
E-mail: candc@candcinfrastructure.com  
Website: www.candcinfrastructure.com

## **REGISTERED OFFICE**

74, Hemkunt Colony  
New Delhi-110048

## **REGISTRAR AND SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
4E/8 1st Floor, Jhandewalan Extension  
New Delhi -110005  
Tel.: 011-42425004, 011-23522373  
E-mail: bssdelhi@bigshareonline.com  
Website: www.bigshareonline.com



## From The Chairman's Desk

### Dear Shareholders,

It is my pleasure to present before you the Annual Report of the Company for the Financial year 2013-14.

During 2013-14, India witnessed a reduced GDP growth rate at about 5 percent, with a slowdown in the investment cycle, high inflation, high interest rates and a volatile currency.

Infrastructure sector has survived its most challenging year. The pace of activities has been affected by delays in land acquisition, non-payment of claims by the government and public sector clients, other bureaucratic hurdles, high interest rates and lack of investors' confidence.

In such a situation, most infrastructure contractors and service providers in India are not only highly over-leveraged but also are facing severe financial strain.

Some, such as your Company, had decided to re-align its debts through a formally recognised process of debt restructuring in the last fiscal year under the framework of Corporate Debt Restructuring (CDR). We are currently having overdues with banking system and are hoping for an early settlement of our claims to regularize the accounts.

Amongst these headwinds, the turnover of the Company on a Standalone basis stood at Rs.1282.53 crores as compared to the Turnover of Rs. 1000.49 crores for the previous year. The annualized percentage increase in the Turnover over the previous year's Turnover amounted to 28.19%. The Company posted a Net Loss of Rs. 77.05 crores for the year under review as against a Net Loss of Rs. 194.30 crores for the previous year.

The Company's order book position remained on track with closing order book of around Rs. 2885 crores as on date of financial year end.

It has become important to gear up and upgrade the Company's internal capabilities suitable to the external competition across its human, technical and capital resource base to ensure that corporate goals are accomplished.

In the process, your Company has focused on cutting down costs, with some notable success. It has also worked hard in reducing the breakeven point across almost all its projects and it is looking forward to monetize the infrastructure assets that it owns — such as the roads and highways — and sell some

others to further reduce the debt overhang and thus create greater operational flexibility. I am very confident that we will see robust growth in the years to come.

I am very optimistic about the Indian growth as the Country has seen a momentous change in India's political landscape. This, in turn has meant new hope for the economy and infrastructure sector.

The ushering in of a stable government, post elections, has triggered a reversal in the gloomy sentiments that had prevailed in the past some years and lifted investor confidence which would pave the way for growth. With the change in Government, there has been a spurt in business optimism.

The present Government is committed and is creating much required enabling frameworks for the Infrastructure sector. But much more is required to turn around the economy. Going forward, the emphasis has to be on effective implementation and timely action.

Finally and importantly, we owe a word of special thanks and gratitude to our entire stakeholders constituting our investors, shareholders, customer groups and bankers. We will strive to meet each of our stakeholder's expectations and towards this, I seek your continuing support and goodwill.

Sincerely,  
**Gurjeet Singh Johar**  
Chairman

## 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





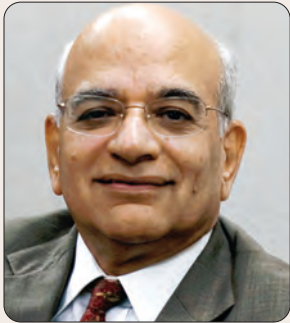
Mr. Anand Bordia



Mr. Ramesh Chandra Rekhi



Mr. Tarlochan Singh



Mr. Kanwal Monga



Mr. J. Ganguly



Mr. Arun Kumar Purwar



Gen. N.C. Vij

# Directors' Report

Dear Shareholders,

Your Directors hereby present the 18th Annual Report along with the audited accounts of your Company for the year ended 30 June, 2014.

## FINANCIAL RESULTS

Your Company's financial performance during the financial year 2013-2014 is summarized below:-

	(₹ in Crore)	
	2013-14	2012-13
<b>Gross Sales</b>	1282.53	1000.49
Total Income	1307.22	1009.61
<b>Profit before interest, depreciation and taxation</b>	154.55	26.53
Interest	173.87	154.73
<b>Profit/(Loss) Before depreciation and taxation</b>	(19.32)	(128.21)
Depreciation	35.69	39.95
<b>Net profit/(loss) Before taxation</b>	(60.09)	(160.32)
taxation	16.96	33.98
<b>Net Profit/(loss)</b>	<b>(77.05)</b>	<b>(194.30)</b>
Profit brought forward from last year	(38.19)	156.11
<b>Profit available for appropriations</b>	<b>(115.24)</b>	<b>(38.19)</b>
<b>Appropriations</b>	<b>0.00</b>	<b>0.00</b>
Balance carried to balance sheet	(115.24)	(38.19)
<b>Total</b>	<b>(115.24)</b>	<b>(38.19)</b>
<b>EPS in ₹</b>	<b>(30.28)</b>	<b>(76.36)</b>

## DIVIDEND

In view of the loss incurred during the year the Board regrets its inability to declare any dividend for the year ended 30th June, 2014

## OPERATIONAL PERFORMANCE

The Turnover of the Company on a Standalone basis stood at ₹1282.53 Crores as compared to the Turnover of ₹1000.49 Crores for the previous year. The annualized percentage increase in the Turnover over the previous year's Turnover amounted to 28.19%. The Company posted a Net Loss of ₹ 77.05 crores for the year under review as against a Net Loss of ₹194.30 crores for the previous year. The reduction in the losses was mainly attributable to company's focus on cutting down costs with some notable success especially in construction cost, employees cost and other expenditures.

Since the last two-three years the construction industry has been facing severe recessionary trends. The severe liquidity crisis affected project execution. The Company has been facing a severe liquidity crunch primarily on account of non settlement of our claims with various Government agencies and other bodies. The settlement of claims is very essential for introducing liquidity in the Company to enable us to

increase business and also keep the banking limits within regular levels. Your Company is making intensive efforts to recover money due to it and is hopeful of substantive recovery during the current year.

Although there are cash losses during the year under review, management is confident of tiding over the liquidity position with the support of bankers. Several other options are being explored for overcoming the liquidity crisis such as sale of non-core assets, disposal of idle equipment, pursuing rigorous austerity measure across the Company.

Your Directors are pleased to inform that your Company individually and along with other joint venture member has secured the following new orders during the year ended on 30 June 2014:

- Improvement/ upgradation Bagi-Barbigha Road (SH-83) Length 37.646 Km. in the state of Bihar from Bihar State Road Development Corporation Ltd. Contract value ₹144.96 crores
- Improvement/ upgradation Saraiya-Motipur Road (SH-86) Length 28.181 Km. in the state of Bihar from Bihar State Road Development Corporation Ltd. Contract value ₹177.32 crores



- c. Improvement/ upgradation Runnisaipur-Bhiswa road (SH-87) Length 67.486 Km. in the state of Bihar from Bihar State Road Development Corporation Ltd. Contract value ₹364.90 crores
- d. Improvement/ upgradation Varuna Bridge (NH-103)- Rasiyari Road (SH-88) Length 120.354 Km. in the state of Bihar from Bihar State Road Development Corporation Ltd. Contract value ₹727.99 crores
- e. Execution of the Balance Work of Widening & Strengthening of Theog-Kotkhai-Kharapatthar Road existing section from Km.0+000 to Km 48+000 having total length of 43.00 km. from Himachal Road and Other Infrastructure Development Corporation Limited. Contract value ₹179.44 crores
- f. Execution of the Balance Work of Widening & Strengthening of Kharapatthar Hatkoti- Rohru Road from Km.48+000 to Km 80+684 having length of 32.684 km. from Himachal Road and Other Infrastructure Development Corporation Limited. Contract value ₹143.32 crores
- g. Construction of Flyover and Rail Under Bridge in the state of Uttarakhand from Engineering Projects (India) Ltd. Contract value ₹133.57 crores

The total balance value of works on hand as on June 30, 2014 is ₹2885 cr.

### SHARE CAPITAL

During the year under review, there is no change in the share capital structure of the Company.

### SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

In terms of General Circular issued by Ministry of Corporate Affairs, granting general exemption under section 212(8) for attaching subsidiaries' financial statements, the Board of Directors of the Company had consented for not attaching the annual accounts of the subsidiaries. The annual accounts of the Subsidiary Companies and other related detailed information shall be made available to shareholders of the holding & subsidiary companies seeking such information at any point of time.

The annual accounts of the subsidiary companies shall also be kept for inspection of shareholders in the head office of the holding company.

A statement pursuant to Section 212 (8) of the Companies Act, 1956, containing the details of the subsidiaries of the Company forms part of the Annual Report.

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for Investments in associates

and Accounting Standard (AS) 27 on Financial Reporting of Interest in Joint ventures, the audited Consolidated Financial Statements for the financial year ended 30 June, 2014 form part of the Annual Report and Accounts.

### CASH FLOW ANALYSIS

In conformity with the provisions of the Listing Agreement, the cash flow statement for the year ended 30 June, 2014 is included in the annual accounts.

### DIRECTORS

There were no changes in the Directorship of the Company since last reporting except resignation of Mr. Deepak Dasgupta with effect from 18th February, 2014. The Board places on record its appreciation for the valuable guidance and services rendered by Mr. Deepak Dasgupta during his association with the Company.

Mr. Gurjeet Singh Johar (DIN-00070530) and Mr. Amrit Pal Singh Chadha (DIN-00065139) retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Further in terms of Section 149 and other applicable provisions read with Schedule IV of the Companies Act, 2013 which became effective from April 1, 2014, Independent Directors can hold office for a term upto 5 consecutive years on the Board of a company and he/ she shall not be included in the total number of directors for determining the persons who are liable to retire by rotation. In view of changed provisions as detailed above, the Board of Directors has recommended the reappointment of all the 6 Independent Directors on the Board of the Company as Independent Directors to the Shareholders, for five consecutive years for a term upto 31st March, 2019. They shall not be liable to retire by rotation.

Also re-appointment of Mr. Gurjeet Singh Johar, Mr. Rajbir Singh, Mr. Sanjay Gupta, Mr. Amrit Pal Singh Chadha, Mr. Rajendra Mohan Aggarwal as Whole Time Directors and Mr. Charanbir Singh Sethi as Managing Director is to be done at the ensuing General Meeting as it was made for a period of 3 years w.e.f. 1st July, 2011 to 30th June, 2014. The Board of Directors has recommended the reappointment of all the six whole time directors in terms of the provisions of the schedule V and other relevant provisions of the Companies Act, 2013.

Brief resumes of Directors proposed to be appointed/ re-appointed and other relevant information have been furnished in the Notice convening the Annual General Meeting. Appropriate resolutions for their appointment / re-appointment are proposed for approval of the members at the Annual General Meeting.

### AUDITORS AND AUDITORS' REPORT

M/s ASG & Associates, Chartered Accountants (FRN: 000389N), New Delhi, the retiring statutory Auditors of the Company at the ensuing General Meeting are proposed to be appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until

the conclusion of the Twenty First AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s ASG & Associates, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

### DEPOSITS

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

### 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:

	2013-14 (₹)	2012-13 (₹)
Export Turnover	127,181,616	62,833,975
Revenues from overseas project	1,523,443,446	694,530,539
<b>Total</b>	<b>1,650,625,062</b>	<b>757,364,514</b>

#### THE DETAILS OF FOREIGN EXCHANGE OUTGO:

	2013-14 (₹)	2012-13 (₹)
Raw material, Stores & Spares in Indian projects	116,257,317	188,740,832
Travelling expenses, consultancy and others	468,024	2,684,710
<b>Total</b>	<b>116,725,341</b>	<b>191,425,542</b>

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate report on the Management discussion and analysis, pursuant to Clause 49 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.

### 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 the this report.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company has, during the year under review, transferred a sum of Rs. 8,31,811/- to Investor Education and Protection Fund, in compliance with the provisions of erstwhile Section 205C of the Companies Act, 1956. The said amount represents the application money received by the Company during initial public offer which remained unclaimed by the investors for a period exceeding 7 years from its due date of refund.

### 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, 2014, 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 2014 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, 2014 have been prepared on a going-concern basis.