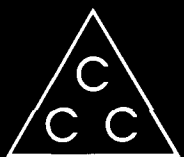
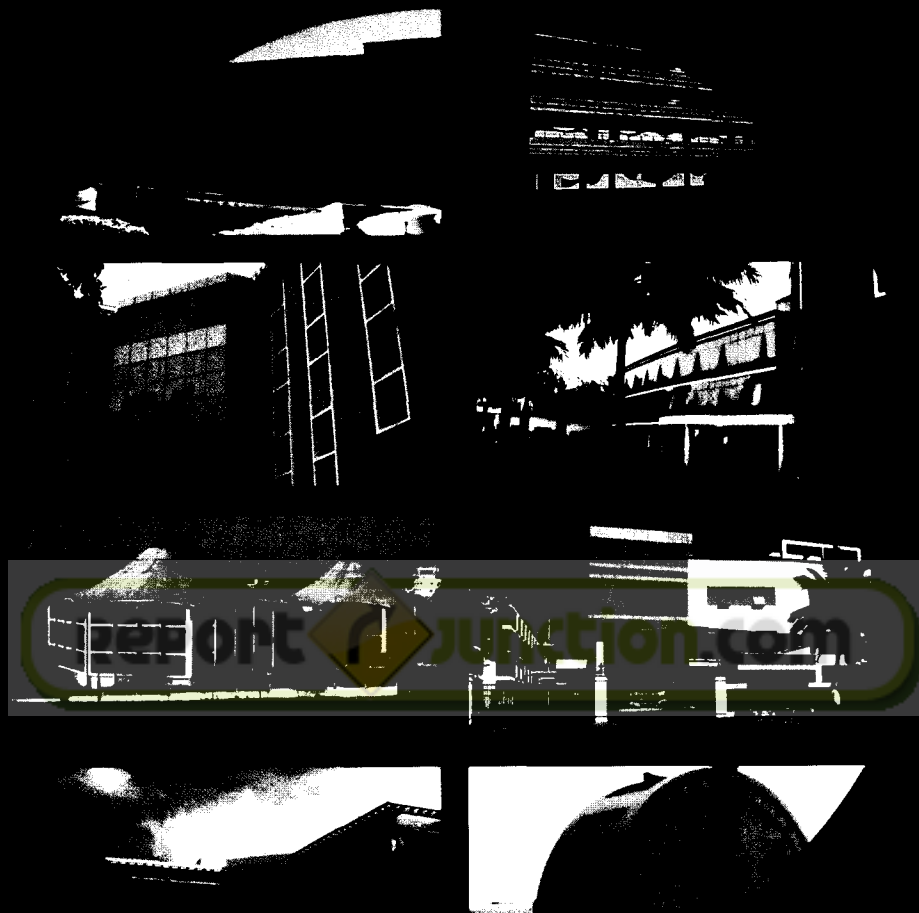
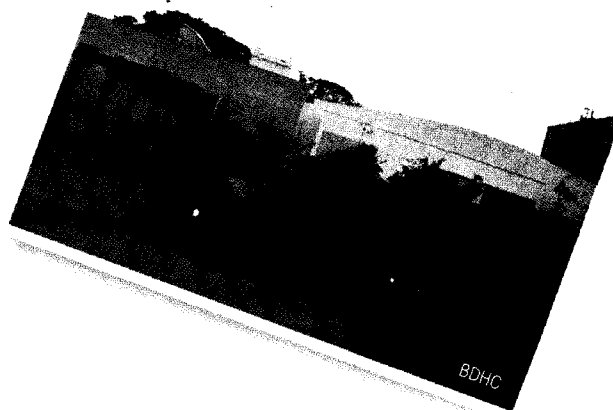
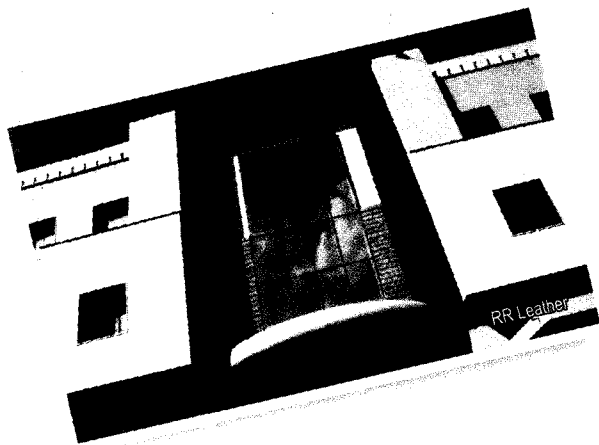


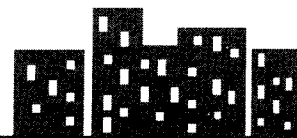
# *9<sup>th</sup> Annual Report 2005 - 2006*



CONSOLIDATED  
CONSTRUCTION  
CONSORTIUM LTD.

We build relationship





## NOTICE TO THE MEMBERS

Notice is hereby given that the 9<sup>th</sup> Annual General Meeting of the Company will be held at Quality Inn Sabari, No. 29, Thirumalai Pillai Road, T.Nagar, Chennai- 600 017 on Saturday the 10<sup>th</sup> day of June 2006 at 4.00 P.M. to transact the following business:-

### **ORDINARY BUSINESS:**

1. To Receive, Consider and adopt the Balance Sheet as at 31<sup>st</sup> March 2006, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend.
3. To appoint a Director in the place of Sri. K.Kannan, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Sri. V.G.Janarthanam, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

#### **6. To consider and to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the investment agreement entered into with Unit Trust of India Investment Advisory Services Limited (UTI IAS) A/c. Ascent India Fund and EIF Co Invest III and the letter received from UTI Venture Funds Management Company Private Limited, being the duly appointed manager of UTIIAS dated 28/03/2006 be noted and taken on record and Shri.K.E.C.Rajakumar, be and is hereby appointed as nominee director of UTI Venture Funds Management Company Private Limited."

#### **7. To consider and to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 313 of the Companies Act, 1956 and in accordance with the investment agreement entered into with Unit Trust of India Investment Advisory Services Limited (UTI IAS) and EIF Co Invest III and the letter received from UTI Venture Funds Management Company Private Limited, being the duly appointed manager of UTIIAS dated 28/03/2006 be noted and taken on record and Shri. S.N..Rajesh, be and is hereby appointed as an alternate director for Mr.K.E.C.Rajakumar the nominee director of UTI Venture Funds Management Company Private Limited.

#### **8. To consider and to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** in accordance with the investment agreement entered into with Unit Trust of India Investment Advisory Services Limited (UTI IAS) and EIF Co Invest III and the letter received from EIF Co Invest III dated 28/03/2006 be noted and taken on record and Shri. Jay V. Jegannathan, be and is hereby appointed as nominee director of EIF Co Invest III.

#### **9. To consider and to pass the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 313 of the Companies Act, 1956 and in accordance with the investment agreement entered into with Unit Trust of India Investment Advisory Services Limited (UTI IAS) and EIF Co Invest III and the letter received from EIF Co Invest III dated 28/03/2006 be noted and taken on record and Shri. Paresh Thakker, be and is hereby appointed as an alternate director for Mr Jay V. Jagannathan the nominee director of EIF Co Invest III.

**10. To consider and if thought fit to pass with or without modification the following resolution as a Special resolution:.**

**"RESOLVED THAT** in accordance with and pursuant to Section 81(1-A) and all other applicable provisions if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the relevant provisions of the Unlisted Public Companies (Preferential Allotment) Rules, 2003 and Memorandum and Articles of Association of the Company, subject to the necessary approvals, consents, permissions and / or sanctions of the appropriate authorities, the consent, authority and approval of the Company be and is hereby accorded to the Board to create, issue, offer and allot Equity Shares, in the course of one or more offering (s) on a Preferential basis to Individuals and/ or Resident Companies, and whether or not such investors are Members of the Company, in General Meetings / Class Meetings of the Company, at a discount or premium to market price or prices, in such manner as the Board may, in its absolute discretion, think fit on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue, offer and / or allotment.

**RESOLVED FURTHER THAT** the Shares so offered on a preferential basis to the Resident/ Non Resident body corporate, to rank pari passu with existing Equity Shares of the Company in all respects, except that with regard to dividend in respect of the Company's Financial Year in which each such new Equity Share is allotted, it shall be eligible for dividend pro – rata to the amount actually paid upon it and proportionate to the period beginning from the date of allotment of Equity Shares.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to make necessary correction, amendment or any other appropriate action, as it may deem necessary, for giving effect to the aforesaid Resolution."

**CERTIFIED TRUE COPY**

Place: Chennai

Date : 28/04/2006

**For Consolidated Construction Consortium Ltd For and on behalf of the Board**

*J. Kalishewi*

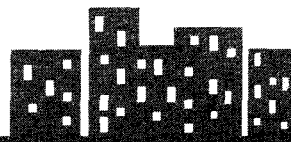
**Company Secretary**

R.Sarabeswar

Chairman & CEO

**NOTES**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Explanatory Statement under Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The dividend if declared shall be payable to the shareholder on or before 10<sup>th</sup> July 2006 whose names appear on the Register of Members as on 10<sup>th</sup> June 2006.(Record date for dividend)
4. Proxies in order to be effective must be lodged with the Company not later than 48 hours before the meeting.
5. Members are requested to bring their copies of the Annual Report sent to them, to the Meeting.
6. Members are requested to notify immediately any change in their address to Company's Secretarial Department.



## ANNEXURE TO NOTICE

### Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 to the accompanying notice

#### For Item No. 4, 5, 6 & 7 :

Consequent to the investments made by Unit Trust of India Investment Advisory Services Limited (UTI IAS) A/c. Ascent India Fund and EIF Co Invest III in the share capital of the Company and in accordance with the Investment Agreement dated March 13, 2006 the Articles of the Association of the Company was amended incorporating certain clauses of the Investment Agreement in the Articles.

One of the terms in the agreement gives powers to the 2 investing companies to appoint nominee directors in the Board who shall not be liable to retire by rotation. As per the provisions of the Companies Act, 1956 one third of the directors shall not be liable to retire by rotation and hence the nominee directors could be made non-rotational directors subject to the provisions of the investment agreement.

In this connection UTI Venture Funds Management Company Private Limited, being the duly appointed manager of UTIIAS has appointed Mr. Rajakumar KEC in the Board and has appointed Mr. Rajesh. S.N. as an alternate director to him and EIF Co Invest III has appointed Shri. Jay V. Jegannathan in the Board and has appointed Shri. Paresh Thakker as an alternate director to him. This requires the confirmation at the general meeting by the members. Hence, the resolutions as set out in the notice are placed before the members for their approval.

Your directors commend the resolution for your approval.

Under section 257 of the Companies Act, 1956 notice in writing has been received from the shareholders of the company signifying their intention to propose Shri. Rajakumar KEC and Shri. Rajesh. S.N, Shri. Jay V. Jegannathan and Shri. Paresh Thakker as Directors/Alternate Directors of the Company along with the requisite deposit of Rs. 500/- each.

#### Memorandum of Interest:

None of the directors are interested in the passing of the resolutions except Shri. Rajakumar KEC, Shri. Rajesh. S.N, Shri. Jay V. Jegannathan and Shri. Paresh Thakker with respect to their appointments.

#### For Item No. 8 :

You are aware that your Company is in the process of expansion and to meet the same is in the process of raising funds through Private placement. Your Directors thought it fit and prudent to comply with the Unlisted Public Companies (Preferential Allotment) Rules, 2003 and the necessary disclosures as required to be given are disclosed in this statement to provide greater transparency to the shareholders.

The primary objective of this issue is to strengthen the financial position of the company and to make the shareholding, broad based to the extent necessary, it is also proposed to authorise the Board to issue further equity shares to person other than the existing shareholders in the following manner:

The proposed issue of Shares as above may be made in one or more tranches, which may result in an increase of the issued and subscribed equity share capital of the Company. The issue price of the shares shall be determined by the Board of Directors at the time of the issue.

This Special Resolution gives

- (a) powers to issue such Shares in such tranche or tranches to the aforesaid persons.
- (b) adequate flexibility and discretion to the Board to finalise the terms of the issue including in relation to the pricing of the Issue which will be based on the then financial position of the company and such other relevant factors and by following relevant rules in this regard.

As any further issue of equity shares in the aforesaid manner requires the consent of the members of the Company, the resolution as set out in the notice is placed before the members for their approval.

The Board of Directors recommends the resolution set out in the accompanying notice for the approval of the Members.

### **Memorandum of Interest**

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**For and on behalf of the Board**

Place: Chennai

R.Sarabeswar

Date : 28/04/2006

Chairman & CEO

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Company Secretary

**BOARD OF DIRECTORS**

- Shri.R.Sarabeswar** - Chairman & Chief Executive Officer
- Shri.S.Sivaramakrishnan** - Managing Director
- Shri.V.G.Janarthanam** - Director (Operations)
- Shri.K.Kannan** - Independent Director
- Shri.P.Venkatesh** - Independent Director
- Shri.KEC Rajakumar** - Nominee Director - UTI-Venture Funds Management Company Pvt Ltd.
- Shri. S.N.Rajesh** - Alternate director to the nominee director Sri KEC.Rajakumar
- Shri.Jay.V.Jegannathan** - Nominee Director - EIF Co-Invest III
- Shri. Paresh Thakker** - Alternate director to the nominee director Shri. Jay.Jegannathan

**Chief Financial Officer** - Sri. T.R.Seetharaman

**Company Secretary** - Ms. Lakshmi Jayaraman

**Statutory Auditors**

M/s. Murali Associates

Chartered Accountants, No.39, (Old No.19),1st Main Road, R.A.Puram, Chennai – 600 028.

**Company Secretary in Practice**

**Shri. N.Balachandran**

C/2, Yamuna Flats, 16<sup>th</sup> Street, Nanganallur, Chennai – 600 061.

**Registered Office**

No.5, II Link Street, C.I.T.Colony, Mylapore, Chennai – 600 004.

Ph : 044-2466 1083 (6 Lines) Fax:044-2499 0225

**Bankers**

**State Bank of India**, Leather & International Branch, Chennai -10

**Bank of Baroda**, T.Nagar Branch, Chennai - 17





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## PERFORMANCE AT A GLANCE

(RS.in millions)

YEAR	2005-06	2004-05	2003-04	2002-03	2001-02
<b>RESULTS FOR THE YEAR</b>					
Income from Operations	<b>4247.57</b>	3061.71	1596.04	1256.15	1016.89
Profit for the year	<b>290.42</b>	126.29	64.54	50.29	41.05
Profit After Tax	<b>189.85</b>	78.81	41.19	31.57	26.85
<b>YEAR END POSITION</b>					
<b>Capital employed</b>					
Fixed Assets	<b>168.43</b>	92.8	52.44	45.82	33.77
Net Current Assets	<b>1536.18</b>	316.47	133.58	77.14	72.12
<b>SOURCES OF FUNDS</b>					
Share Capital	<b>119.12</b>	42.63	17.93	17.93	17.53
Reserves and Surplus	<b>1297.38</b>	182.16	122.95	85.74	59.46
<b>EQUITY SHARE STATISTICS</b>					
Face Value per share	<b>10</b>	10	10	10	10
Earnings per share	<b>21.52</b>	20.14	23.85	18.87	19.73
Book Value	<b>118.92</b>	53.44	81.36	59.77	50.16
No. of Equity Shares	<b>11911278</b>	4193000	1722922	1722922	1480422

## REPORT OF THE DIRECTORS' TO THE SHARE HOLDERS

Your Directors have great pleasure in presenting this 9<sup>th</sup> Annual Report together with the Audited Statement of accounts for the year ended 31<sup>st</sup> March 2006.

### FINANCIAL RESULTS

The financial results of the company are mentioned herein below:

(Rs. In Millions)

Particulars	For the year ended as on 31/03/2006	For the year ended as on 31/03/2005
Income from Operations	4247.57	3061.71
Other Income	16.97	6.33
Profit before Depreciation and Interest	349.98	154.77
Less : Depreciation	18.98	9.58
Profit After Depreciation	331.00	145.19
Less : Interest	40.58	18.89
Profit Before Tax	290.42	126.30
Less : Provision for Tax	100.57	47.49
Profit after Tax	189.85	78.81
Add: Balance Brought Forward	135.95	83.39
Profit available for appropriation	325.80	162.20
Transfer to General Reserves	32.30	16.30
Equity Dividend	21.71	8.61
Preference Dividend	0.09	0.09
Tax on Dividend	3.06	1.14
Balance Carried to Balance Sheet	266.65	135.95

During the year under review, your Company has achieved a sales and other income of Rs.4264.54 Millions when compared to Rs. 3068.04 Millions achieved during the previous year registering an increase of 38%. The profit before tax is Rs. 290.42 as against Rs.126.30 Millions during the previous financial year improved by 129%.



### ABOUT YOUR COMPANY

#### I. VISION & MISSION

Company's Vision is to build relationship through a thoroughly professional organization with the highest degree of corporate ethics and to become a leader and model corporate participant in the development of the construction industry. Its Mission is to create landmarks that become benchmarks in the industry