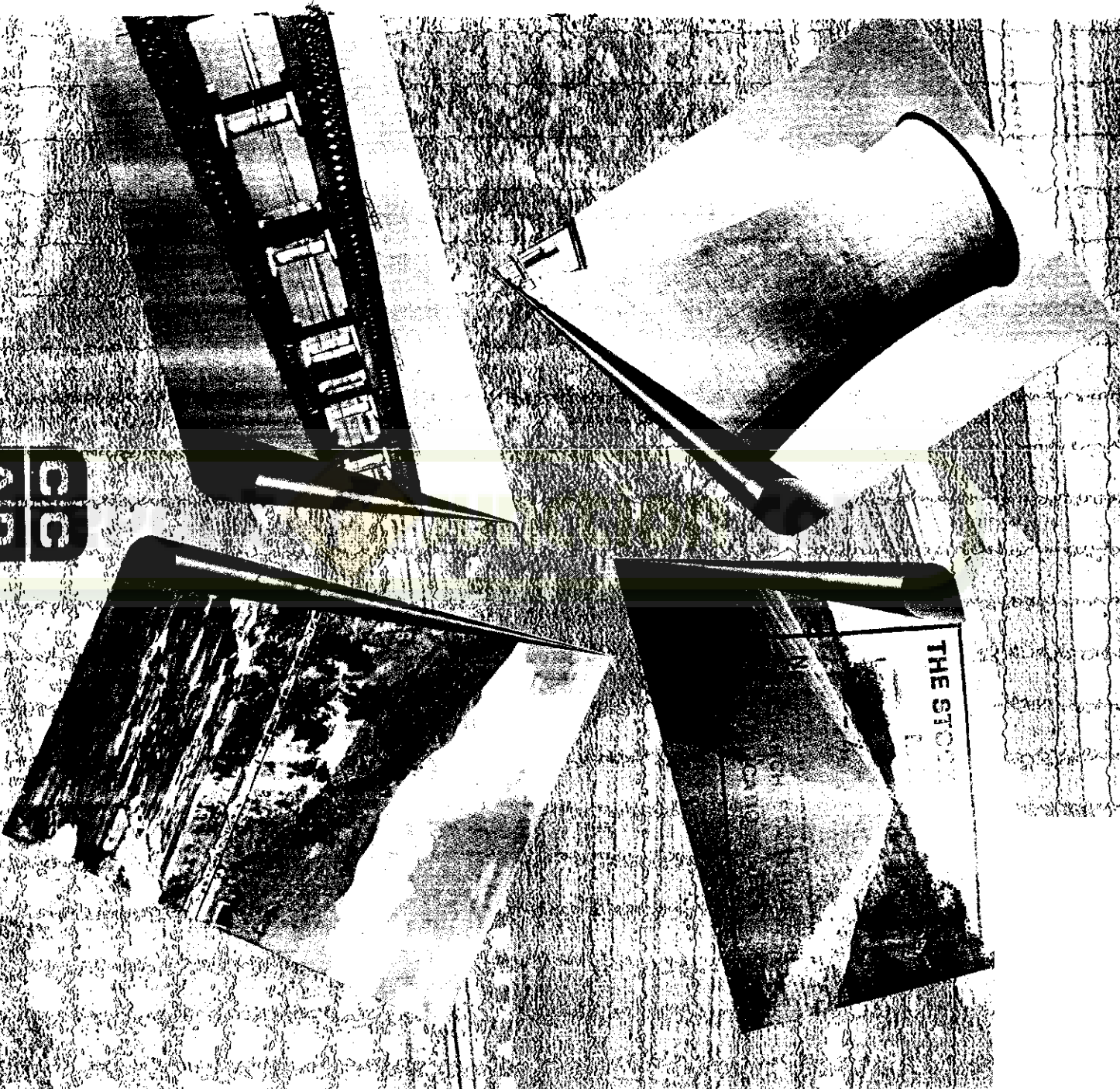


ANNUAL REPORT AND ACCOUNTS

1998-99



CCAP LIMITED

(formerly Central Concrete & Allied Products Limited)

Computech International Ltd. of 77/2A, Hazra Road, Calcutta - 700 029 has been appointed as Registrars and Share Transfer Agents of the Company. Shareholders may please contact them for any matters in connection with the shareholding in the Company.

Telephone : 476-7350/7351/7352/7353/7354
Fax : 474-7674

CCAP LIMITED

(Formerly Central Concrete & Allied Products Ltd.)

BOARD OF DIRECTORS :

Chairman

Mr. Chirantan Mukherji

Directors

Mr. Asamanja Mitra

Mr. Samir Ghosh

Mr. Monoj Ghose

Mr. Koushik Roy

Secretary

Mr. T. K. Bhattacharya

Auditors

G. Basu & Company
Chartered Accountants

Bankers

United Bank of India
State Bank of India

Registered Office

8, Camac Street
3rd Floor, Space - 1
Calcutta - 700 017

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Notice

Notice is hereby given that the Twenty-sixth Annual General Meeting of the Members of CCAP Limited will be held at Gyan Manch at 11, Pretoria Street, Calcutta - 700 071 on Wednesday, the 22nd September, 1999 at 11-00 A.M. to transact the following business :-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 1999 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon (copies enclosed).
2. To declare a Dividend.
3. To appoint Directors in place of Mr. Chirantan Mukherji and Mr. Koushik Roy who retire by rotation and being eligible, offer themselves for re-appointment.
4. To appoint Auditors and fix their remuneration.

By order of the Board

T. K. BHATTACHARYA
Company Secretary

Calcutta

Dated, the 26th June, 1999

NOTES :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
2. The Dividend as recommended by the Board of Directors, if approved, will be payable to those Members whose names appear in the Company's Register of Members on 22nd September, 1999.
3. Pursuant to Section 205A of the Companies Act, 1956, all unpaid/unclaimed dividends up to the financial year ended 31st March, 1995, have been transferred to the General Revenue Account of the Central Government. Shareholders concerned are requested to submit their claims in the prescribed form to the Registrar of Companies, West Bengal, Nizam Palace, 234/4, Acharya Jagadish Chandra Bose Road, Calcutta - 700 020.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 1999 to 22nd September, 1999 (both days inclusive).

Directors' Report

To
The Shareholders

Your Directors have pleasure in presenting the **Twenty-sixth Annual Report** with the audited Accounts of your Company for the year ended 31st March, 1999.

1. SUMMARISED FINANCIAL RESULTS AND PROPOSED APPROPRIATIONS :

	1998-99
	Rs.
i) Net profit before taxation	73,19,684
ii) Balance brought forward from previous year	21,77,511
iii) Investment Allowance Reserve transferred from Balance Sheet	6,600
iv) Excess provision for Income-Tax for earlier years written back	15,45,722
Total	1,10,49,517
Appropriations :	
i) Provision for Taxation	
a) Income Tax	Rs. 26,00,000
b) Tax on proposed dividend	Rs. 3,92,041
c) Wealth Tax	Rs. 20,000
	30,12,041
ii) Provision for diminution in value of investments	50,600
iii) Adjustment of interest income considered in earlier year	12,57,060
iv) Proposed Dividend @ 10%	35,64,011
v) Balance carried to Balance Sheet	31,65,805
Total	1,10,49,517

2. DIVIDEND :

Your Directors are pleased to recommend payment of Dividend of 10% in respect of the year ended on 31st March, 1999. The Dividend, if approved by the Members at the Annual General Meeting, will be paid to those Shareholders registered in the books of the Company on 22nd September, 1999.

3. OPERATIONS :

Trading results for the financial year under report show a profit of Rs. 73,19,684/- before provision for taxation, compared to Rs. 70,27,696/- in the immediate previous year. The works under contracts for construction of (i) New Balawali Bridge over river Ganga for double lines on well foundation, including approaches, (ii) Durgapur Expressway-Package II, (iii) Durgapur Expressway - Package III taken up in the earlier years and (iv) Railway Bridge over river Ajoy taken up this year, have been considered in the Profit & Loss Account, on the basis of works executed during the year under report. The works of Durgapur Expressway, Package-II & Package-III have now been completed.

Directors' Report (Contd.)

During the year ended 31st March, 1999, your Company achieved a turnover of the Rs. 1252 Lacs, in spite of pruning down of the infrastructure development programme of the Central Government from the original projection.

4. FUTURE PROSPECTS :

Presently, your Company has submitted a number of tenders including the following, results of which are awaited :-

- (i) Construction of Road to connect the proposed bridge across Gaighata Canal at Bakshi in West Bengal, with a Contract Value of Rs. 1272 Lac.
- (ii) Construction of Foundation and Sub-structure of Railway Bridge over river Koshi in Mansi-Saharsha Section in Uttar Pradesh with a Contract Value of Rs. 700 Lac. (Your Company has become the lowest bidder in this bid. Authorities' decision is, however, awaited).

Apart from the above, your Company is also in the process of submitting bids for several other jobs, including :-

- (a) Construction of Railway Bridge at Bhubaneswar, Orissa.
- (b) Construction of Bridge over river Damodar including approach roads at Burdwan District, West Bengal.
- (c) Construction of Bamangachhi Loco Shed of Eastern Railway near Calcutta.
- (d) Construction of Dumka-Rampurhat Railway Embankment including bridges under Eastern Railway.
- (e) Construction of Sone Bridge under Eastern Railway.
- (f) Design and Construction of Metro-Corridor under Delhi Metro Rail Corporation Ltd.

5. ARBITRATION :

During the year under review, your Company received an interim Arbitration Award for price escalation on the contract relating to construction of new Bajawali Railway Bridge over River Ganga, including Approaches, on Moradabad-Saharanpur Section in U.P. A few other Arbitration cases are progressing. The Company expects to receive some Arbitration Awards, out of the pending cases, during the current financial year.

6. DIRECTORS :

Mr. Chirantan Mukherji and Mr. Koushik Roy retire by rotation and are eligible for re-appointment. The Board recommends their re-appointment.

7. PROJECTED/ACTUAL PROFITABILITY :

Comparison between the estimates projected in the Prospectus of the Company in respect of the public issue of equity shares made in February, 1995 and the actuals are shown below :

Profitability Statement :

	Projections in the Prospectus	Actuals	(Rs. in Lac) Variations	
			Amount	%
Total Income	3178.49	1252.09	1926.40	60.61
Profit after Tax	264.78	45.46	219.32	82.83
Dividend (%)	25.00	10.00	15.00	60.00
EPS (Rs.)	7.42	1.28	6.14	82.75

Directors' Report (Contd.)

Your Directors explain that as in the case of last year, this year also variations in the profitability took place basically due to fall in turnover not being possible to be taken up to the projected level, on account of drastic pruning of the infrastructure development programme of the Central Government from the original projection.

8. LISTING OF SECURITIES :

Your Directors report that the equity shares in the Company are listed with the following stock exchanges to whom annual listing fees for the current year have been paid :-

1. The Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Calcutta - 700 001
(Regional Stock Exchange).
2. The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001
3. The Stock Exchange, Ahmedabad
Kamdhenu Complex, Opp. Sahajanand College
Panjarapole, Ahmedabad - 380 015.

9. Y2K PREPAREDNESS :

Computer hardware of the Company is Y2K compliant. The softwares have been rechecked by a consultant and found to be Y2K compliant. In view of the above, your Directors do not envisage any risk due to year 2000 bug.

Since use of Computers is limited to routine office job only, in the event of systems breakdown/failure due to the year 2000 problem, if any, the Company is sufficiently manned to carry on the job manually.

The Registrars and Share Transfer Agent of the Company have confirmed that they have made their hardware and softwares to be Y2K compliant. Your Company did not have to incur any expenditure on this score. They have also confirmed that in the event of systems breakdown/failure due to the year 2000 problem, if any, their man power is sufficient enough to carry on the job manually.

10. AUDITORS' OBSERVATIONS :

In regard to the Auditors comments on the Accounting Standard (AS-7), your Directors have made disclosure as required under Section 211 (3B) of the Companies Act, 1956, in Note 4 in the Notes on Accounts (Schedule 13) under the heading "Disclosure under Section 211 (3B) of the Companies Act, 1956".

11. AUDITORS :

G. Basu & Company, Chartered Accountants, Auditors of the Company for the year 1998-99, being eligible, have offered themselves for re-appointment as Auditors of the Company for the year 1999-2000. Your Directors recommend re-appointment of G. Basu & Company.

12. PARTICULARS U/S 217(1) (e) :

The particulars required in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, are not set out in this report as the Company's nature of activities, is execution of works contracts.

13. PARTICULARS OF EMPLOYEES :

The particulars required under Section 217 (2A) of the Companies Act, 1956 are not set out in this report, as no employee of the Company is coming under the provisions of the said Section.