
Annual Report

and

Accounts

2006-2007

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CCAP LIMITED

(formerly Central Concrete & Allied Products Limited)

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(formerly Central Concrete & Allied Products Ltd.)

MCS Ltd. (formerly Computech International Ltd.) of 77/2A, Hazra Road, Kolkata-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 : 2476-7350/7351/7352/7353/7354
2454-1892/1893

Fax : 2474-7674, 2454-1961

Share Transfer

As per SEBI guidelines, trading of the Equity Shares in the Company has been compulsorily dematerialised with effect from 26th March, 2001. The Demat ISIN No. in NSDL & CDSL is INE 413C01013.

In case of any share transfer in physical form, after the transfer is effected, share certificates are despatched to the transferee within 15 days from the date of receipt of the transfer Deed.

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BOARD OF DIRECTORS :

Chairman : Mr. Chirantan Mukherji

Directors : Mr. Asamanja Mitra
Mr. Monoj Ghose
Mr. Chinmoy Mazumder
Mr. Sisir Kumar Saha (Whole-time Director)
Mr. Mahiruha Mukherji (Whole-time Director)

Secretary : Mr. T. K. Bhattacharya

Auditors : G. Basu & Co.
Chartered Accountants

Bankers : State Bank of India

Registered Office : 8, Camac Street
3rd Floor, Space - 1
Kolkata - 700 017

NOTICE

Notice is hereby given that the Thirty-fourth Annual General Meeting of the Members of CCAP Limited will be held at Gyan Manch at 11, Pretoria Street, Kolkata-700 071 on Tuesday, the 25th September, 2007 at 11-00 A.M. to transact the following business :-

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2007 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 appoint Directors in place of Mr. Chirantan Mukherji and Mr. Asamanja Mitra who retire by rotation and being eligible offer themselves for re-appointment.
3. To appoint Auditors and fix their remuneration.

Special Business

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Sisir Kumar Saha, who was appointed as an additional Director of the Company by the Board of Directors of the Company and who ceases to hold office under Section 260 of the Companies Act, 1956, be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

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

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr. Sisir Kumar Saha as a Whole-time Director of the Company for a period of three years with effect from 1st November, 2006 on the terms and conditions as to remuneration and perquisites set out in the explanatory statement."

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Mahiruha Mukherji, who was appointed as an additional Director of the Company by the Board of Directors of the Company and who ceases to hold office under Section 260 of the Companies Act, 1956, be and is hereby appointed a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution :-

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309, 314, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the appointment of Mr. Mahiruha Mukherji as a Whole-time Director of the Company for a period of three years with effect from 1st February, 2007 on the terms and conditions as to remuneration and perquisites set out in the explanatory statement."

By order of the Board

T. K. Bhattacharya
Company Secretary

Kolkata
Dated, the 28th June, 2007

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 the proxy need not be a member of the Company.
2. Explanatory Statement under Section 173(2) of the Companies Act, 1956 in respect of the items of special business is annexed hereto.
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, Kolkata – 700 020. For subsequent years, the unpaid/unclaimed dividends will have to be claimed by the shareholders from the Company within 7 (seven) years from the date of transfer of the money to the unpaid dividend account of the Company, whereupon, the money will be transferred to the Investor Education and Protection Fund of the Central Government established under Section 205C of the said Act against which no claim will lie as per Section 205B of the said Act.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 16th September, 2007 to 25th September, 2007 (both days inclusive).
5. If any member, who will attend the meeting, desires to have any information on the Accounts, he/she is requested to write to the Company at least seven days in advance of the date of the meeting in order to enable the Company to inform the meeting on the points appropriately.
6. Members are requested to bring their copy of the Annual Report and Accounts to the meeting.

Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956

Item No. 4

Mr. Sisir Kumar Saha, a civil engineer was appointed an additional Director by the Board of Directors of the Company with effect from 1st November, 2006. As per section 260 of the Companies Act, 1956, Mr. Saha holds office as additional Director only up to the date of the ensuing Annual General Meeting. Mr. Saha has been appointed a Whole-time Director also and the appointment and remuneration shall be considered by the shareholders for approval vide item No. 5 of the Notice for the said Annual General Meeting. The Company has received valid notice, in writing, signifying his candidature for appointment as a Director. The Board, therefore, recommends adoption of the resolution appointing Mr. Saha as a Director of the Company.

No Director other than Mr. Sisir Kumar Saha is concerned or interested in the resolution.

Item No. 5

Mr. Sisir Kumar Saha, BE(Civil) had been appointed in the Company with a designation Executive Director (not a Board member) with effect from 22nd November, 2004 to take charge of the Company's projects and marketing.

Since the Company is being benefited with his services, the Board inducted him as a member of the Board of Directors of the Company from 1st November, 2006 and made him a Whole-time Director for a period of three years from the same date subject to approval of the members of the Company at their next General Meeting.

The remuneration and other terms and conditions of appointment which are within the limits of Schedule – XIII of the Companies Act, 1956 are shown below. These were approved by the Remuneration Committee of Directors of the Company.

- a) Salary : Rs.32,000/- per month, subject to Income Tax.
- b) Bonus : Annual Bonus of two months' basic salary, subject to Income Tax.
- c) Perquisites : Perquisites shall be restricted to an amount equal to the annual salary.

(i) House Rent Allowance :

Rs.15,000/- per month, subject to Income Tax.

Explanation : The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of ten percent of the salary of the Director.

(ii) Medical Reimbursement :

Reimbursement of expenses incurred on account of domiciliary treatment for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years. For hospitalized cases, the limit is Rs. 1,00,000/- over the period of three years.

(iii) Leave Travel Concession :

Leave Travel Concession for self and family once in a year for traveling within India.

(iv) Club Fees :

Fees of clubs subject to a maximum of two clubs. No admission and Life Membership Fees will be paid.

(v) Personal Accident Insurance :

Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs. 1,000/- per annum.

(vi) Contribution to Superannuation Fund or Annuity Fund, if any, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(vii) Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed to the Director by the Company.

(viii) In the event of loss or inadequacy of profits of the Company during the period of the Director's appointment, he will be entitled to the same remuneration as above.

General Terms and Conditions :

1. The service of the said Director may be terminated by 90 day's notice in writing, by either of the parties hereto without assigning any reason. If so required in the interest of the Company dissociation will be immediate with and along public notification.
2. The said Director shall not be entitled to claim damages against the Company for termination of his service before the completion of the period.

In compliance with the requirements of Section 302 of the Companies Act, 1956, abstract of the terms of his appointment together with the Memorandum of Concern or Interest had been circulated to the members of the Company on 6th November, 2006.

Under Schedule – XIII to the Companies Act, 1956, approval of the shareholders is required to the remuneration of Mr. Sisir Kumar Saha.

The Articles of Association of the Company as also a copy of the contract between the Company and the said Whole-time Director are open for inspection at the Registered Office of the Company between 11-00 A.M. and 1-00 P.M. on any working day prior to the date of the meeting.

The Board recommends that the special resolution be adopted.

Mr. Sisir Kumar Saha, Director of the Company is concerned or interested in the resolution. No other Director is concerned or interested.

Item No. 6

Mr. Mahiruha Mukherji, B.E.(Civil), M.Sc. in Financial Mathematics (UK), was appointed an additional Director by the Board of Directors of the Company with effect from 1st February, 2007. As per section 260 of the Companies Act, 1956, Mr. Mukherji holds office as additional Director only up to the date of the ensuing Annual General Meeting. Mr. Mukherji has been appointed a Whole-time Director also and the appointment and remuneration shall be considered by the shareholders for approval vide item No. 7 of the Notice for the said Annual General Meeting. The Company has received valid notice, in writing, signifying his candidature for appointment as a Director. The Board, therefore, recommends adoption of the resolution appointing Mr. Mukherji as a Director of the Company.

No Director other than Mr. Mahiruha Mukherji and Chirantan Mukherji being the father of Mr. Mahiruha Mukheji, is concerned or interested in the resolution.

Item No. 7

Mr. Mahiruha Mukherji, B.E.(Civil), MSc in Financial Mathematics (UK) with a background of work experience with different organizations including HSBC in UK for about 3 years, has been inducted by the Board as a member of the Board of Directors of the Company from 1st February, 2007 and made him a Whole-time Director for a period of three years from the same date subject to approval of the members of the Company at their next General Meeting.

The remuneration and other terms and conditions of appointment which are within the limits of Schedule – XIII of the Companies Act, 1956 are shown below. These were approved by the Remuneration Committee of Directors of the Company.

- a) Salary : Rs.35,000/- per month, subject to Income Tax.
- b) Bonus : Annual Bonus of two months' basic salary, subject to Income Tax.
- c) Perquisites : Perquisites shall be restricted to an amount equal to the annual salary.
 - (i) House Rent Allowance :
Rs.15,000/- per month, subject to Income Tax.
Explanation : The expenditure incurred by the Company on gas, electricity and water shall be valued as per the Income Tax Rules, 1962, subject to a ceiling of ten percent of the salary of the Director.
 - (ii) Medical Reimbursement :
Reimbursement of expenses incurred on account of domiciliary treatment for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years. For hospitalized cases, the limit is Rs.1,00,000/- over the period of three years.
 - (iii) Leave Travel Concession :
Leave Travel Concession for self and family once in a year for traveling within India.
 - (iv) Club Fees :
Fees of clubs subject to a maximum of two clubs. No admission and Life Membership Fees will be paid.
 - (v) Personal Accident Insurance :
Personal Accident Insurance of an amount, the annual premium of which does not exceed Rs.1,000/- per annum.
 - (vi) Contribution to Superannuation Fund or Annuity Fund, if any, will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - (vii) Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed to the Director by the Company.
 - (viii) In the event of loss or inadequacy of profits of the Company during the period of the Director's appointment, he will be entitled to the same remuneration as above.

General Terms and Conditions :

1. The service of the said Director may be terminated by 30 day's notice in writing, by either of the parties hereto without assigning any reason.

2. The said Director shall not be entitled to claim damages against the Company for termination of his service before the completion of the period.

In compliance with the requirements of Section 302 of the Companies Act, 1956, abstract of the terms of his appointment together with the Memorandum of Concern or Interest had been circulated to the members of the Company on 2nd February, 2007.

Under Schedule – XIII to the Companies Act, 1956, approval of the shareholders is required to the remuneration of Mr. Mahiruha Mukherji.

The Articles of Association of the Company as also a copy of the contract between the Company and the said Whole-time Director are open for inspection at the Registered Office of the Company between 11-00 A.M. and 1-00 P.M. on any working day prior to the date of the meeting.

The Board recommends that the special resolution be adopted.

The Directors, Mr. Mahiruha Mukherji and Mr. Chirantan Mukherji being the father of Mr. Mahiruha Mukheji, are concerned or interested in the resolution. No other Director is concerned or interested.

By order of the Board

T. K. Bhattacharya
Company Secretary

Kolkata

Dated, the 28th June, 2007

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DIRECTORS' REPORT

To
The Shareholders

Your Directors have pleasure in presenting the Thirty-fourth Annual Report with the audited Accounts of your Company for the year ended 31st March, 2007.

1. SUMMARISED FINANCIAL RESULTS AND PROPOSED APPROPRIATIONS :	2006- 2007 Rs.
Balance brought forward from previous year	1,01,51,620/-
Less : Net loss	69,88,596/-
Total :	<u>31,63,024/-</u>

Provisions :

i) Provision for Taxation	Rs.
a) Income Tax	
i) For current year	Nil
ii) Deferred Tax	(-) 4,44,766/-
b) Wealth Tax	20,000/-
c) Fringe Benefit Tax	<u>1,77,321/-</u> (-) 2,47,445/-
Balance carried to Balance Sheet	34,10,469/-
Total :	<u>31,63,024/-</u>

2. MANAGEMENT DISCUSSION & ANALYSIS REPORT :

(a) Industry Structure & Developments

The Infrastructure Construction Industry in which your company is involved, has attained a new height. Road constructions and other infrastructural constructions are progressing in full swing.

(b) Opportunities, Threats, Risks & Concerns

In view of the potentiality as stated above, opportunities are abundant for your Company's growth. Your company does not see any threats in the growth of the industry as the Central Government has allocated massive fund for construction of roads nationally as well as in rural sector. No extraordinary risks are visualized in ordinary course. However, usual business risks cannot be ruled out by the Company.

(c) Segment-wise Performance

Item	Capital Employed	Revenues	(Rs. in Lakh) Results
Construction Activities	86.69	1024.86	(-) 54.10
Rental	553.03	201.27	163.61
Total :	<u>639.72</u>	<u>1226.13</u>	109.51
Less : Interest			99.97
Other un-allocable expenditure net of un-allocable income			79.42
			<u>(-) 69.88</u>

(d) Outlook

Having regard to the Central Government's programme for development of road connections and other modes of communications, Infrastructure Construction Industry can look forward to its growth for the years to come.

(e) Internal Control Systems

Your Company maintains an internal control system in different areas like, purchases, billing for the jobs etc. Moreover, there are Internal Auditors who make a constant monitoring to have proper and sufficient care for maintenance of adequate accounting records required for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(f) Financial & Operational Performance

Presently, your Company is carrying out works for nine Projects including construction of 5-storied MIG Apartment Buildings at East Horizon Housing Project, New Town, Rajarhat under West Bengal Housing Board, construction of Four Laning of Siliguri-Islampur Section of NH-31 including construction of Major Bridges/rehabilitation of Existing Bridges etc. (2 Projects) and construction of Rural Roads in Bihar under Prime Minister's Gramin Sarak Yojna (PMGSY) under National Hydroelectric Power Corporation Ltd. (5 Projects) as well as Manderhill-Dumka Broad Gauge Railway Line Project.

The Board is pleased to report that out of the nine works, the following five work orders have been bagged by your Company since reporting at the last Annual General Meeting :-

Construction of Rural Roads in Bihar under PMGSY with maintenance for 5 years after completion of the construction from –

- (i) Lalganj to Madarna Chowk and Madarna Chowk to Jatkauli Ghat,
- (ii) Mataiya to Barhatiya,
- (iii) Jarang Rampur to Madarna Chowk,
- (iv) Bhagwanpur Ratti to Kanti and
- (v) Basgatta to Jujuar Road and Pahsaul to Khangura.

Your Company is constantly exploring all possibilities to get more work orders. For high value bids, the Company enters into joint venture agreements with reputed partners, as necessary.

During the financial year, a turnover of Rs. 1261.47 Lac has been achieved by your Company compared to Rs. 1428.50 Lac. The shortfall is mainly due to the impediments faced by the Company in carrying out the project works. The works under construction of (i) Manderhill-Dumka B.G. Rail Line, (ii) 5-storied MIG Apartment Buildings at East Horizon Housing Project, New Town, Rajarhat under West Bengal Housing Board, (iii) Four Laning of Siliguri-Islampur Section of NH-31 (2 Projects) and (iv) Rural Roads under (PMGSY) in Bihar from (a) Lalganj to Madarna Chowk and Madarna Chowk to Jatkauli Ghat, (b) Mataiya to Barhatiya and (c) Jarang Rampur to Madarna Chowk, have been considered in the Profit and Loss Account under report.

(g) Developments : Human Resources / Industrial Relations Front

Your Board has nothing to report on the developments in human resources as well as industrial relations front which have a material bearing on the business of the Company. During the year, number of employees have been reduced by 14 heads. 26 persons have been employed by the Company during the year under review depending on the requirement.

(h) Disclosures by the Management

Your Board has not received any disclosure by the management relating to any material, financial and commercial transactions where any of the managerial staff has personal interest that may have a potential conflict with the interest of the Company at large.