

**CONSOLIDATED
CONSTRUCTION
CONSORTIUM LTD.**

November 14, 2018

To

Corporate Communications National Stock Exchange of India Ltd Bandra Kurla Complex Bandra East Mumbai 400 051	Asst.General Manager Dept. of Corporate Services Bombay Stock Exchange Ltd. Dalal Street Mumbai 400 001
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Sir/s:

Sub: Outcome of Board Meeting held on 14.11.2018

1. The Board of Directors met at Chennai on 14.11.2018 and inter alia, took on record the un - audited financial results for the quarter ended 30.09.2018.

The financial results along with the Limited Review Report for the quarter ended September 2018 is enclosed herewith.

The meeting of the Board of Directors was commenced at 3.00PM and concluded at 05.00PM

Kindly take the above on record

Yours faithfully,

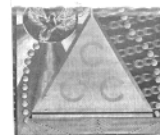
For CONSOLIDATED CONSTRUCTION CONSORTIUM LTD.

R. Siddharth

CFO cum Company Secretary



CIN: L45201TN1997PLC038610
PAN : AAACC4214B



Statement of Unaudited Standalone Financial Results for the quarter and six months ended September 30, 2018

Sl. No.	Particulars	Quarter Ended				Half Year Ended		Year Ended	
		Sep 30, 2018	Jun 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Mar 31, 2018	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Revenue from operations	13,797.29	10,127.27	11,385.78	23,924.56	26,168.93	46,948.56		
2	Other Income	865.07	1,261.42	1,226.26	2,126.49	2,359.77	4,974.05		
3	Total Income	14,662.36	11,388.69	12,612.04	26,051.05	28,528.70	51,922.61		
4	Expenses								
	Cost of materials and services consumed								
	Employee benefit expense	11,688.66	8,950.22	9,909.74	20,638.88	23,301.94	41,616.89		
	Finance cost	1,185.42	1,016.71	944.26	2,202.13	1,945.93	3,894.92		
	Depreciation and amortisation	2,514.36	2,589.56	2,798.38	5,103.92	6,239.34	11,997.49		
	Other expenses	153.89	160.39	188.73	314.28	375.11	749.70		
	Total Expenses	603.30	515.97	503.70	1,119.27	1,061.80	1,936.11		
5	Profit/(Loss) before tax (3-4)	16,145.63	13,232.85	14,344.81	29,378.48	32,924.12	60,195.11		
6	Exceptional Item	(1,483.27)	(1,844.16)	(1,732.77)	(3,327.43)	(4,395.42)	(8,272.50)		
7	Tax expense	(250.23)	(75.94)		(326.17)	1,333.95	419.27		
8	Current tax								
9	Deferred tax	(0.23)	(0.23)	(0.21)	(0.46)	(0.43)	(21.68)		
	Profit/(Loss) for the period (5+6-7)	(1,733.27)	(1,919.87)	(1,732.56)	(3,653.14)	(3,061.04)	(7,831.55)		
	Other Comprehensive Income								
	a) i) Items that will not be reclassified to profit or (loss)								
	- Remeasurements of the defined benefit plans								
	- Change in Fair value of Equity Instruments measured at FVTOCI								
	ii) Income tax relating to the items that will not be reclassified to profit or loss	(41.11)	69.52	59.68	28.41	80.39	125.36		
	b) i) Items that will be reclassified to profit or (loss)	(165.49)	(151.37)	(376.41)	(316.86)	(376.57)	(1,802.91)		
	ii) Income tax relating to the items that will be reclassified to profit or loss	(12.57)	7.03	43.36	(5.54)	36.96	346.34		
	Total Other Comprehensive Income	(219.17)	(74.82)	(273.37)	(293.99)	(259.22)	(1,331.21)		
10	Total Comprehensive Income	(1,952.44)	(1,994.69)	(2,005.93)	(3,947.13)	(3,320.26)	(9,162.76)		
11	Paid-up equity share capital (Face value ₹ 2/- each)	7,970	7,970	7,970	7,970	7,970	7,970		
12	Earnings per share (of ₹ 2/- each) (not annualized)								
	(a) Basic (in ₹)	(0.49)	(0.50)	(0.50)	(0.99)	(0.83)	(2.30)		
	(b) Diluted (in ₹)	(0.49)	(0.50)	(0.50)	(0.99)	(0.83)	(2.30)		



Standalone Statement of Assets and Liabilities

		(₹ In Lakhs)	
Particulars		As at Sep 30, 2018 (Unaudited)	As at Mar 31, 2018 (Audited and Restated Refer Note #13)
ASSETS			
Non-current assets			
(a)	Property, Plant and Equipment	26,003.31	26,308.20
(b)	Capital work-in-progress	2,258.12	2,258.12
(c)	Investment Property	71.80	73.79
(d)	Financial Assets		
	(i) Investments	4,591.20	4,908.05
	(ii) Trade Receivables	52,018.07	39,546.89
	(iii) Loans & Advances	1,419.76	1,393.44
	(iv) Others	324.66	509.03
(e)	Deferred tax Assets	2.28	11.27
(f)	Non-Current Tax Assets	7,313.79	6,962.90
(g)	Other non-current Assets	152.01	139.62
Total Non-Current Assets		94,155.00	82,111.31
Current assets			
(a)	Inventories	13,715.27	14,074.09
(b)	Financial Assets		
	(i) Trade Receivables	31,183.75	42,023.89
	(ii) Cash & Cash Equivalents	376.82	872.13
	(iii) Bank Balances other than (ii) above	1,835.85	1,811.75
	(iv) Loans and advances	3.33	4.63
	(v) Others	1,155.62	1,123.20
(c)	Other Current Assets	4,825.18	5,407.08
Total Current Assets		53,095.82	65,316.77
Total Assets		1,47,250.82	1,47,428.08
EQUITY AND LIABILITIES			
Equity			
(a)	Equity Share Capital	7,970.22	7,970.22
(b)	Other Equity	(16,164.10)	(12,216.97)
Total Equity		(8,193.88)	(4,246.75)
Non-current liabilities			
(a)	Financial Liabilities		
	(i) Borrowings	46,394.84	46,512.96
	(ii) Trade Payables	662.16	808.47
	(iii) Other Financial Liabilities	241.44	249.72
(b)	Provisions	-	-
(c)	Deferred tax liabilities (Net)	2,987.17	2,991.09
(d)	Other non-current liabilities	10,433.48	11,738.35
Total Non-Current Liabilities		60,719.09	62,300.59
Current liabilities			
(a)	Financial Liabilities		
	(i) Borrowings	48,499.77	46,566.52
	(ii) Trade Payables	20,562.23	18,791.69
	(iii) Other Financial Liabilities	18,641.59	16,984.25
(b)	Other current liabilities	6,867.55	6,994.70
(c)	Provisions	154.47	37.08
Total Current Liabilities		94,725.61	89,374.24
Total Equity and Liabilities		1,47,250.82	1,47,428.08



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- 1 The Unaudited Standalone Financial Results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the company in their respective meeting held on 14th November 2018. The statutory auditors of the company have carried out the Limited Review of the results for the quarter and six months ended September 30, 2018.
- 2 The Unaudited Standalone Financial Results have been prepared in accordance with Ind AS prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.
- 3 The Company operates in only one segment, viz. Construction, as such reporting is done on single segment basis.
- 4 The Unaudited Standalone financial statements for the period ended September 30, 2018 indicate that the Company has negative net worth as at 30.09.2018. Further, it has incurred net cash losses for the half year ended and in the immediate preceding financial year and the net working capital of the Company continues to be negative. Further, the Company has continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the marginal increase in the current level of operating activities. These indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. However, the Company is looking out for potential investors to raise cash by selling the non-core assets held by its subsidiaries or by issuing debt instruments and further the Company expects improvement in the overall level of Operations. In view thereof and expecting favourable market conditions in future, the Unaudited Standalone financial results have been prepared on a "going concern basis".
- 5 Balance value of works on hand for execution as at 30 September 2018 is ₹ 75,599.61 Lakhs. Fresh orders received during the period amounts to ₹ 17,935.20 lakhs.
- 6 Trade receivables include:
 - a) ₹ 21,969.12 lakhs which is outstanding for more than one year. The company carries a provision of ₹ 10,936.37 lakhs in the Unaudited Standalone financial results against those long outstanding receivables. These receivables are periodically reviewed by the company and considering the commercial /contractual terms and on-going discussions with the clients, the management is confident of recovering the entire dues and that no further provision against these dues needs to be considered;
 - b) ₹ 48,333.56 Lakhs for which the Company has sought legal recourse and proceedings are pending in various legal forums which according to the Management will be awarded fully in Company's favour on the basis of the contractual tenability, progress of arbitration and legal advice.
 - c) ₹ 6,660.15 Lakhs which represents claims made to client based on the terms and conditions implicit in the Construction Contracts in respect of closed/suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of work, client caused delays, changes in the scope of work, deviation in design and other factors for which company is at various stages of negotiation/ discussion with the clients. On the basis of the contractual tenability, progress of negotiations/discussions, the management considers these receivables are recoverable. The company carries a provision of ₹ 33.30 lakhs against these claims. The provisions made are periodically reviewed by the company and the management feels that no additional provision is warranted.
- 7 Exceptional item for the quarter and six months ended September 30, 2018 and March 31, 2018 in the Unaudited Standalone Financial Results represents recognition of impairment loss on the loans and advances given to subsidiaries. Further, exceptional item for the six months ended September 30, 2017 represents the reversal of interest charged by the lenders on the converted portion of debts into OCDs and shares transferred under S4A Scheme for the period between reference date and the previous year ended March 31, 2017.
- 8 During the current quarter, the Company (the Claimant) has initiated arbitration process against Oil and Natural Gas Corporation (the Respondent) on various claims under a project which has a carrying value of ₹ 11,690.64 lakhs. The management is confident that the case will be settled in favour of the Company in the ongoing arbitration process and the compensation might be more than the carrying value of receivables.
- 9 Change in Fair value of Equity Instruments measured at FVTOCI for the quarter includes recognition of change in the fair value of equity instrument held in subsidiary company which was previously measured at NAV of the subsidiary. The said change in the fair value is being estimated based on the unaudited financial results of those subsidiaries and provided for.
- 10 As per the terms of the approved S4A scheme, the Company has to redeem the optionally convertible debentures to an extent of ₹ 13,327.65 lakhs (net of payments made) by end of the financial year March 31, 2018. However, the company has defaulted with respect to repayment of OCDs to the extent stated above including interest accrued and the default is continuing as on September 30, 2018. Further, the Company has defaulted in repayment of restructured term loans to an extent of ₹ 1,256.37 lakhs as at period ended September 30, 2018.
- 11 During the financial year 2017-18, secured lenders had approved the restructuring package under "Scheme for Sustainable Structuring of Stressed Assets" (S4A). The Company has not been able to generate sufficient cash flows to service the loan repayments/interest payments which resulted into Company's borrowings from Secured lenders becoming "Non-Performing Assets" (NPAs). Such defaults entitle the lenders to revoke the S4A package. Upon exit, lenders are entitled to exercise rights and remedies available under the original loan agreements. In the absence of any communication from these lenders and on the basis of an ongoing discussion with lenders, the Company has not provided for additional interest from S4A cut-off date till 30th September, 2018 which arises on account of differences between interest rate as approved under S4A package and interest rate approved as per the original sanction letter and penal interest on overdue amount of interest and installment. The additional interest and penal interest if any could not be quantified as on date.



12 Outstanding balances of Term Deposits with banks including accrued interest aggregating to ₹ 1861.74 lakhs, Trade Receivables including retention, Trade Payables, Other Deposits, Advances and Other Current Assets/ Liabilities are subject to external confirmation and reconciliation, if any. However, in the opinion of the management, adjustment, if any, will not be material. In the opinion of the Board, the value on realisation of Term Deposits with banks, Trade Receivables, Loans and Advances and Other Current Assets, in the ordinary course of the business would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

13 ¹ Restatement of opening balance of Other Equity and the corresponding liability on account of prior period errors pertaining to Fiscal 2017

Particulars	Retained Earnings (in ₹ lakhs)
Balance as at April 1, 2018 (as previously reported)	(53,868.89)
Prior period adjustment - Excess de-recognition of liabilities towards employee benefits	(198.59)
Restated balance as at April 1, 2018	(54,067.48)

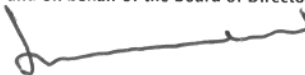
14 The approval from Central Government is pending for the excess remuneration of ₹ 118 lakhs paid to the whole-time directors during the financial year ended March 31, 2014.

15 Ind AS 115 "Revenue from Contracts with Customers" has been notified by Ministry of Corporate Affairs (MCA) on 28 March 2018 and is effective from accounting period beginning on or after 1 April 2018, replacing the existing revenue recognition requirements. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the Unaudited Standalone Financial Results of the Company. Further, there were no significant adjustments required to the retained earnings as at April 01, 2018 under the modified retrospective approach.

16 The Company has opted to publish only Unaudited Standalone Financial Results. The Company would present the Consolidated Financial Results for the year ending March 31, 2019.

17 Previous period figures have been regrouped /reclassified, wherever necessary to conform to current period's classification.

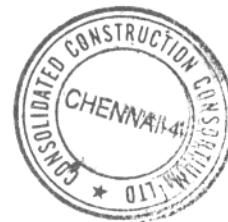
For and on behalf of the Board of Directors



S. Sivaramakrishnan
Managing Director

Place: Chennai

Date: November 14, 2018



Limited Review Report on the Statement of unaudited quarterly and six months ended standalone financial results of Consolidated Construction Consortium Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of **Consolidated Construction Consortium Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Consolidated Construction Consortium Limited** ("the Company") for the quarter and six months ended 30th September, 2018 (the "Statement") together with notes thereon, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which we have initialed for identification purposes only.
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 14 November 2018. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Material Uncertainty Related to Going Concern

We draw your attention to Note 4 to the Statement, which indicates that the company has negative net worth as at 30 September 2018. Further, it has incurred net cash losses for the half year ended and in the immediate preceding financial year and the net working capital of the Company continues to be negative. Further, the Company has continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the marginal increase in the current level of operating activities. These indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern. However, the Company is looking out for potential investors to raise cash by selling the non-core assets held by its subsidiaries or by issuing debt instruments and further the Company expects improvement in the overall level of Operations. In view thereof and expecting favourable market conditions in future, the Unaudited Standalone financial results have been prepared on a "going concern basis".



Our Report is not qualified in respect of this matter.

Emphasis of Matters

We draw attention to the notes to the Statement in respect of matters stated below:

4. Note 6(a) & 6(b) regarding uncertainties relating to recoverability of trade receivables overdue for more than one year amounting to Rs. 11,032.75 lakhs (net of provisions of Rs. 10936.37 lakhs) which according to the management is fully recoverable. Further the recoverability of trade receivables which are under arbitration amounting to Rs. 48,333.56 lakhs which according to the Management will be awarded fully in Company's favour on the basis of the contractual tenability, progress of arbitration and legal advice. Accordingly, no adjustment has been made in the Unaudited Standalone Financials Results.
5. Note 6(c) regarding claims made to clients amounting to Rs. 6,626.85 lakhs (net of expected credit loss of Rs. 33.30 lakhs) which were based on the terms and conditions implicit in the Construction Contracts in respect of closed/suspended/under construction projects. These claims are mainly in respect of cost over run arising due to suspension of work, client caused delays, changes in the scope of work, deviation in design and other factors for which company is at various stages of negotiation/ discussion with the clients. On the basis of the contractual tenability, progress of negotiations/discussions, the management considers these receivables are recoverable. Accordingly, no further adjustment has been made in the Unaudited Standalone Financial Results.
6. Note 10 regarding default committed by the Company in respect of repayment of Optionally Convertible Debentures and restructured term loans as per the terms of approved S4A scheme.
7. During the financial year 2017-18, secured lenders had approved the restructuring package under "Scheme for Sustainable Structuring of Stressed Assets" (S4A). The Company has not been able to generate sufficient cash flows to service the loan repayments/interest payments which resulted into Company's borrowings from Secured lenders becoming "Non-Performing Assets" (NPAs). Such defaults entitle the lenders to revoke the S4A package. Upon exit, lenders are entitled to exercise rights and remedies available under the original loan agreements. In the absence of any communication from these lenders and on the basis of an ongoing discussion with lenders, the Company has not provided for additional interest from S4A cut-off date till 30th September, 2018 which arises on account of differences between interest rate as approved under S4A package and interest rate approved as per the original sanction letter and penal interest on overdue amount of interest and installment. The additional interest and penal interest if any could not be quantified as on date.
8. Note 12 regarding outstanding balances of Term Deposits with banks including accrued interest aggregating to Rs. 1861.74 lakhs, Trade Receivables including retention, Trade Payables, Other Deposits, Advances and Other Current Assets/ Liabilities which are subject to external confirmation and reconciliation, if any. However, in the opinion of the management, adjustment, if any, will not be material. In the opinion of the Board, the value on realisation of Term Deposits with banks, Trade Receivables, Loans and Advances, and Other Current Assets, in the ordinary course of the business

would not be less than the amount at which they are stated in the Balance Sheet and the provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

Our Report is not qualified in respect of the above matters.

9. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Accounting Standards, i.e., Ind AS prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Sundar Sridhar & Sridhar

Chartered Accountants

Firm Registration No: 004201S



S. Sridhar

Partner

Membership No: 025504

Place: Chennai

Date: November 14, 2018

