

February 06, 2020

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 06.02.2020

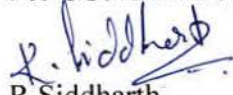
1. The Board of Directors met at Chennai on 06.02.2020 and inter alia, took on record the un - audited financial results for the quarter ended 31.12.2019.

The financial results both standalone and consolidated along with the Limited Review Report for the quarter ended December 2019 is enclosed herewith.

The meeting of the Board of Directors was commenced at 3.00PM and concluded at 05.40PM

Kindly take the above on record

Yours faithfully,
For CONSOLIDATED CONSTRUCTION CONSORTIUM LTD.



R.Siddharth

CFO cum Company Secretary



Consolidated Construction Consortium Limited

#8/33, Padmavathiyar Road, Jeypore Colony, Gopalapuram, Chennai - 600086

CIN: L45201TN1997PLC038610

URL: www.ccclindia.com

Statement of Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2019

₹ In Lakhs except per share data)

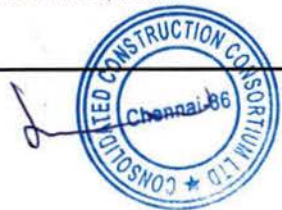
Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		Dec 31, 2019	Sep 30, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018	Mar 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	6,510.82	8,985.09	11,030.22	25,291.67	34,954.78	45,604.66
2	Other Income	918.50	913.71	1,118.46	2,737.28	3,244.95	4,127.52
3	Total Income	7,429.32	9,898.80	12,148.68	28,028.95	38,199.73	49,732.18
4	Expenses						
	Cost of materials and services consumed	6,882.79	8,892.93	10,063.52	24,056.11	30,702.40	39,125.73
	Employee benefit expense	873.90	989.28	1,074.72	2,839.50	3,276.85	4,158.78
	Finance cost	2,654.14	2,366.85	2,660.51	7,617.17	7,764.43	10,247.19
	Depreciation and amortisation	138.28	139.39	160.94	407.82	475.22	630.95
	Other expenses	471.09	594.78	559.90	1,476.37	1,679.17	2,563.10
	Total Expenses	11,020.20	12,983.23	14,519.59	36,396.97	43,898.07	56,725.75
5	Profit/(Loss) before tax and exceptional item (3-4)	(3,590.88)	(3,084.43)	(2,370.91)	(8,368.02)	(5,698.34)	(6,993.57)
6	Exceptional Item	(160.51)	(20.34)	(44.21)	(272.60)	(370.38)	(605.37)
7	Profit/(Loss) before tax (5+6)	(3,751.39)	(3,104.77)	(2,415.12)	(8,640.62)	(6,068.72)	(7,598.94)
8	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax	(0.22)	(0.22)	(0.24)	(0.66)	(0.70)	(38.97)
9	Profit/(Loss) for the period (7-8)	(3,751.17)	(3,104.55)	(2,414.88)	(8,639.96)	(6,068.02)	(7,559.97)
10	Other Comprehensive Income						
	a) i) Items that will not be reclassified to profit or (loss)						
	- Remeasurements of the defined benefit plans	(25.65)	20.56	-	(20.47)	28.41	(135.38)
	- Change in Fair value of Equity Instruments measured at FVTOCI	(174.76)	(128.80)	(216.87)	(638.07)	(533.73)	(235.37)
	ii) Income tax relating to the items that will not be reclassified to profit or loss	-	-	-	-	(5.54)	(5.54)
	b) i) Items that will be reclassified to profit or (loss)	-	-	-	-	-	-
	ii) Income tax relating to the items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(200.41)	(108.24)	(216.87)	(658.54)	(510.86)	(376.29)
11	Total Comprehensive Income (9+10)	(3,951.58)	(3,212.79)	(2,631.75)	(9,298.50)	(6,578.88)	(7,936.26)
12	Paid-up equity share capital (Face value ₹ 2/- each)	7,970	7,970	7,970	7,970	7,970	7,970
13	Earnings per share (of ₹ 2/- each) (not annualized)						
	(a) Basic (in ₹)	(0.94)	(0.78)	(0.61)	(2.17)	(1.52)	(1.90)
	(b) Diluted (in ₹)	(0.94)	(0.78)	(0.61)	(2.17)	(1.52)	(1.90)



Statement of Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2019

(₹ In Lakhs except per share data)

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		Dec 31, 2019	Sep 30, 2019	Dec 31, 2018 (Refer Note No. 9)	Dec 31, 2019	Dec 31, 2018 (Refer Note No. 9)	Mar 31, 2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from operations	6,510.82	8,988.11	11,030.22	25,294.69	34,954.78	45,604.66
2	Other Income	915.87	953.93	1,124.21	2,784.33	3,263.93	4,183.59
3	Total Income	7,426.69	9,942.04	12,154.43	28,079.02	38,218.71	49,788.25
4	Expenses						
	Cost of materials consumed and services cost	6,883.31	8,892.01	10,056.51	24,056.90	30,686.64	39,198.60
	Employee benefit expense	875.99	991.36	1,077.74	2,846.43	3,289.12	4,174.65
	Finance cost	2,712.16	2,427.50	2,860.55	7,794.77	8,005.03	10,626.77
	Depreciation and amortisation	138.95	140.07	162.21	409.84	479.06	636.08
	Other expenses	485.86	599.26	567.58	1,500.73	1,709.90	2,605.25
	Total Expenses	11,096.27	13,050.20	14,724.59	36,608.67	44,169.75	57,241.35
5	Profit/(Loss) before share of profit/(loss of associate/ joint venture and exceptional items (3-4)	(3,669.58)	(3,108.16)	(2,570.16)	(8,529.65)	(5,951.04)	(7,453.10)
6	Share of profit/ (loss) from Joint venture	(9.44)	(9.43)	-	(28.31)	-	(37.75)
7	Profit/(Loss) before exceptional items and tax (5+6)	(3,679.02)	(3,117.59)	(2,570.16)	(8,557.96)	(5,951.04)	(7,490.85)
8	Exceptional Item	-	-	-	-	-	-
9	Tax expense						
	Current tax	-	-	-	-	-	-
	Deferred tax	(0.22)	(0.22)	(0.24)	(0.66)	(0.70)	(45.82)
10	Profit/(Loss) for the period from continuing operations (7+8-9)	(3,678.80)	(3,117.37)	(2,569.92)	(8,557.30)	(5,950.34)	(7,445.03)
11	Profit/(loss) from discontinued operations	(58.35)	(13.52)	(70.46)	(290.44)	(108.23)	199.82
	Tax expense of discontinued operations	-	-	-	-	-	22.11
	Profit from discontinued operations after tax	(58.35)	(13.52)	(70.46)	(290.44)	(108.23)	221.93
12	Profit/(Loss) for the period(10+11)	(3,737.15)	(3,130.89)	(2,640.38)	(8,847.74)	(6,058.57)	(7,223.10)
13	Other Comprehensive Income						
	a) i) Items that will not be reclassified to profit or (loss)						
	- Remeasurements of the defined benefit plans	(25.65)	20.56	0.00	(20.47)	28.41	(135.38)
	- Change in Fair value of Equity Instruments measured at FVTOCI	(0.57)	0.56	(0.54)	(0.10)	0.72	1.37
	ii) Income tax relating to the items that will not be reclassified to profit or loss	-	-	-	-	(9.93)	(9.93)
	b) i) Items that will be reclassified to profit or (loss)	-	-	-	-	-	-
	ii) Income tax relating to the items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	(26.22)	21.12	(0.54)	(20.57)	19.20	(143.94)
14	Total Comprehensive Income	(3,763.37)	(3,109.77)	(2,640.92)	(8,868.31)	(6,039.37)	(7,367.04)
15	Paid-up equity share capital (Face value ₹ 2/- each)	7,970	7,970	7,970	7,970	7,970	7,970
16	Earnings per equity share (of ₹ 2/- each) (For continuing operations)						
	(a) Basic (in ₹)	(0.92)	(0.78)	(0.64)	(2.15)	(1.49)	(1.87)
	(b) Diluted (in ₹)	(0.92)	(0.78)	(0.64)	(2.15)	(1.49)	(1.87)
	Earnings per equity share (of ₹ 2/- each) (For discontinued operations)						
	(a) Basic (in ₹)	(0.02)	(0.01)	(0.02)	(0.07)	(0.03)	0.06
	(b) Diluted (in ₹)	(0.02)	(0.01)	(0.02)	(0.07)	(0.03)	0.06
	Earnings per equity share (of ₹ 2/- each) (For continuing & discontinued operations)						
	(a) Basic (in ₹)	(0.94)	(0.79)	(0.66)	(2.22)	(1.52)	(1.81)
	(b) Diluted (in ₹)	(0.94)	(0.79)	(0.66)	(2.22)	(1.52)	(1.81)



- 1 The Standalone financial results of Consolidated Construction Consortium Limited ('the Company') and Consolidated Financial Results of Consolidated Construction Consortium Limited and its subsidiaries together referred to as 'the Group' have been reviewed and recommended by the Audit Committee at its meeting held on February 06, 2020 and approved by the Board of Directors of the company at its meeting held on February 06, 2020.
- 2 The statutory auditors of the company in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended have performed a limited review of Standalone and Consolidated Financial Results of the Company for the Quarter and nine months ended December 31, 2019 and have issued a modified review report dated February 06, 2020.
- 3 These results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 4 The Standalone and Consolidated financial results for the quarter and nine months ended December 31, 2019 indicate that the Company / the Group has negative net worth as at 31.12.2019. Further, the Company / the group has incurred net cash losses for the nine months ended December 31, 2019 and in the immediate preceding financial year and the net working capital of the Company/Group continues to be negative. The revenue of the Company / Group has declined sequentially resulting in negative EBITDA for the quarter and nine months ended December 31, 2019. Further, the Company and few of its subsidiaries have continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Company/ the Group has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company/ the Group to generate additional cash flows to fund the operations as well as other statutory obligations. These indicate the existence of a material uncertainty that may cast significant doubt on the Company's/ the Group's ability to continue as going concern. However, the Company is looking out for potential investors to raise cash either by selling the non-core assets held by its subsidiaries or by issuing debt instruments and the Company's proposed debt settlement plan with the bankers being in an advanced stage of negotiation and further the Company/Group expects improvement in the overall level of Operations. In view thereof, and expecting favourable market conditions in future, the Standalone and the Consolidated Financial results have been prepared on a "going concern basis" and no adjustment has been made to the carrying value of assets and liabilities except for the adjustments made by the three subsidiaries as described in Note 5.
- 5 The Board of Directors of the three subsidiaries namely CCCL Power Infrastructure Limited, Delhi South Extension Car Park Limited and Consolidated Interiors Limited have resolved that going concern assumption of the respective companies were vitiated and accordingly the assets and liabilities have been stated at realizable value.
- 6 Balance value of work on hand for execution as at 31 December 2019 is ₹ 60,847.72 lakhs and fresh orders received by the Company during the period ended December 31, 2019 amounts to ₹ 26,844.46 lakhs.
- 7 The Company and the Group operate in only one segment, viz. Construction and other infrastructural services, as such reporting is done on single segment basis.
- 8 Trade receivables including contract assets of Standalone & Consolidated financial results include:
 - a) ₹ 22,477.88 lakhs and ₹ 21,684.29 lakhs respectively which are outstanding for more than one year. The Company/the Group carries a provision of ₹ 11,292.86 lakhs and ₹ 11,908.27 lakhs respectively against those long outstanding receivables. These receivables are periodically reviewed by the company / the Group and considering the commercial/contractual terms and on-going discussions with the clients, the management of the respective companies is confident of recovering the entire dues and that no further provision against these dues needs to be considered;
 - b) ₹ 48,336.50 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) ₹ 3,368.54 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 ₹ 62.61 Lakhs against these claims. The provisions made are periodically reviewed by the company and the management feels that no additional provision is warranted.
- 9 The consolidated figures for the corresponding quarter and nine months ended 31st December 2018 are approved by the Board of Directors and have not been subjected to Limited review by the auditors.
- 10 As per the terms of the approved S4A scheme, the Company has to redeem the Optionally Convertible Debentures to an extent of ₹ 13,284.58 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 December 31, 2019. Further, the Company has defaulted in repayment of restructured term loans (including interest) to an extent of ₹ 4,190.97 lakhs and working capital loans (including interest) to an extent of ₹ 7,247.69 lakhs as at December 31, 2019.
Further, one of the subsidiary companies, has defaulted in repayment of restructured term loans (including interest) to an extent of ₹ 777.73 lakhs as at December 31, 2019



- 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 December 31, 2019 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 Loan account statements / confirmation of balances as on December 31, 2019 for various borrowings (including cash credit accounts) from banks and financial institutions were not provided by them consequent to classification of loan accounts by the lenders as NPAs. However, the Management is confident that balances reflected in the books of account represent fair value as provision for interest has been recognised at the rates mentioned under S4A package. Further, the term deposits held by the Company with the banks are subject to external confirmation and reconciliation, if any.
- 13 Outstanding balances of 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 Trade Receivables, Loans and Advances, Term Deposits with banks 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.
- 14 Exceptional item in the Standalone financial results represents recognition of impairment loss on the loans and advances given to subsidiaries.
- 15 The approval from Central Government is pending for the excess remuneration of Rs. 118 lakhs paid to the whole-time directors during the financial year ended March 31, 2014.
- 16 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: 06 February, 2020



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

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 nine months ended 31st December, 2019 (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 ("the Regulation"), as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 ("the Circular") 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 06th February 2020. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and towards analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Basis of Qualified Conclusion

4. Trade receivables include a sum of Rs. 48,336.50 lakhs which are under arbitration, 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 and hence no provision for impairment loss has been considered necessary by the management as disclosed in Note 8(b). However, considering the significant time involved in the arbitration process and delays in the realisation of amounts in the recent years for the claims awarded in favour of the Company we are unable to comment on the carrying value of the above referred claims and the shortfall, if any, on the amount that would be ultimately realized by the Company.

Material Uncertainty Related to Going Concern

5. We draw your attention to Note 4 to the Statement, which indicates that the company has negative net worth as at December 31, 2019. Further, it has incurred net cash losses for the nine months ended 31st December 2019 and in the immediate preceding financial year and the net working capital of the

Company continues to be negative. The revenue of the Company has declined sequentially resulting in negative EBITDA for the quarter and nine months ended December 31, 2019. 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. These indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a 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 the Company's proposed debt settlement plan with the bankers being in an advanced stage of negotiation 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" and no adjustment has been made to the carrying value of assets and liabilities.

Our Conclusion on the Statement is not modified in respect of the above matter.

Emphasis of Matters

6. We draw your attention to Note 8(a) to Statement, regarding uncertainties relating to recoverability of trade receivables (including contract assets) overdue for more than one year amounting to Rs. 11,185.02 lakhs (net of provisions of Rs. 11,292.86 lakhs) which according to the management is fully recoverable. Accordingly, no adjustment has been made in the Standalone Financials Results.
7. We draw your attention to Note 8(c) to Statement regarding claims made to clients amounting to Rs. 3,305.93 lakhs (net of expected credit loss of Rs. 62.61 lakhs) which were based on the 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 Standalone Financial Results.
8. We draw your attention to Note 10 to Statement regarding default committed by the Company in respect of repayment of Optionally Convertible Debentures, restructured term loans, working capital loan and interest thereon as per the terms of approved S4A scheme.
9. Note 11 regarding approval of restructuring package under "Scheme for Sustainable Structuring of Stressed Assets" (S4A) by the secured lenders. The Company has not been able to generate sufficient cash flows to service the loan repayments/interest payments which resulted in 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 31st December, 2019 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.

10. Note 12 regarding non-availability of loan account statements / confirmation of balances as on December 31, 2019 for various borrowings (including cash credit accounts) from banks and financial institutions consequent to classifying of loan accounts by the lenders as NPAs. However, the Management is confident that balances reflected in the books of account represent fair value as provision for interest has been recognised at the rates mentioned under S4A package. Further, the term deposits with the banks are subject to external confirmations and reconciliation, if any.
11. Note 13 regarding outstanding balances of 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 Trade Receivables, Loans and Advances, Term Deposits with banks 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 Conclusion on the Statement is not modified in respect of the above matters.

12. Based on our review conducted as stated above, *except for the effects/possible effects of our observation stated in paragraph 4 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 there under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations read with the Circular, 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: 0042015


S. Sridhar

Partner

Membership No: 025504

UDIN: 20025504AAAAAL2328



Place: Chennai

Date: February 06, 2020

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

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

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Consolidated Construction Consortium Limited** ("the Company" or "the Holding Company") and its subsidiaries and joint venture (the Holding Company, its wholly owned subsidiaries and joint venture together hereinafter referred to as the "Group") (refer paragraph 4 below) for the quarter and nine months ended 31st December, 2019 (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 ("the Regulation"), as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 ("the Circular") which we have initialed for identification purposes only. Attention is drawn to the fact that the consolidated figures for the corresponding quarter and nine months ended December 31, 2018 as reported in these unaudited consolidated financial results have been approved by the Board of Directors of the Holding Company, but have not been subjected to review.
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 06th February 2020. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and towards analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. The statement includes the financial information of the following entities:

Holding Company

Consolidated Construction Consortium Limited

Subsidiaries and Joint Venture

(a) Consolidated Interiors Limited - Subsidiary

(b) Noble Consolidated Glazings Limited - Subsidiary

- (c) CCCL Infrastructure Limited - Subsidiary
- (d) CCCL Power Infrastructure Limited - Subsidiary
- (e) Delhi South Extension Car Park Limited - Subsidiary
- (f) CCCL Pearl City Food Port SEZ Limited – Subsidiary
- (g) Yuga Builders – Joint venture

Basis of Qualified Conclusion

5. Trade receivables include a sum of Rs. 48,336.50 lakhs which are under arbitration, 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 and hence no provision for impairment loss has been considered necessary by the management as disclosed in Note 8(b). However, considering the significant time involved in the arbitration process and delays in the realisation of amounts in the recent years for the claims awarded in favour of the Company we are unable to comment on the carrying value of the above referred claims and the shortfall, if any, on the amount that would be ultimately realized by the Company.

Material Uncertainty Related to Going Concern

6. We draw your attention to Note 4 to the Statement, which indicates that the Group has negative net worth as at December 31, 2019. Further, it has incurred net cash losses for the nine months ended 31st December 2019 and in the immediately preceding financial year and the net working capital of the Group continues to be negative. The revenue of the Group has declined sequentially resulting in negative EBITDA for the quarter and nine months ended December 31, 2019. Further, the Company and few of its subsidiaries have continuously defaulted in repayment of borrowings including interest from Banks and financial institutions. The Group has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Group to generate additional cash flows to fund the operations as well as other statutory obligations. These indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. However, the Holding 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 the Company's proposed debt settlement plan with the bankers being in an advanced stage of negotiation and further the Company expects improvement in the overall level of Operations. In view thereof and expecting favorable market conditions in future, the Unaudited Consolidated Financial results have been prepared on a "going concern basis" and no adjustment has been made to the carrying value of assets and liabilities except for the adjustments made by the three subsidiaries as described in paragraph 7.

Our Conclusion on the Statement is not modified in respect of the above matter.

Emphasis of Matters

7. We draw your attention to Note 5 of the Statement, where the Board of Directors of the three subsidiaries namely CCCL Power Infrastructure Limited, Delhi South Extension Car Park Limited and

Consolidated Interiors Limited have resolved that going concern assumption of the respective companies were vitiated and accordingly the assets and liabilities have been stated at realizable value.

8. We draw your attention to Note 8(a) to Statement, regarding uncertainties relating to recoverability of trade receivables (including contract assets) overdue for more than one year amounting Rs. 9,766.02 lakhs (net of provisions of Rs. 11,908.27 lakhs) which according to the management is fully recoverable. Accordingly, no adjustment has been made in the Consolidated Financial Results.
9. We draw your attention to Note 8(c) to Statement regarding claims made to clients amounting to Rs. 3,305.93 lakhs (net of expected credit loss of Rs. 62.61 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 Consolidated Financial Results.
10. We draw your attention to Note 10 to Statement regarding default committed by the Group in respect of repayment of Optionally Convertible Debentures, restructured term loans, working capital loans and interest thereon as per the terms of approved S4A scheme.
11. Note 11 regarding approval of restructuring package under "Scheme for Sustainable Structuring of Stressed Assets" (S4A) by the secured lenders. The Company has not been able to generate sufficient cash flows to service the loan repayments/interest payments which resulted in 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 31st December, 2019 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. Note 12 regarding non-availability of loan account statements / confirmation of balances as on December 31, 2019 for various borrowings (including cash credit accounts) from banks and financial institutions consequent to classifying of loan accounts by the lenders as NPAs. However, the Management is confident that balances reflected in the books of account represent fair value as provision for interest has been recognised at the rates mentioned under S4A package. Further, the term deposits with the banks are subject to external confirmations and reconciliation, if any.
13. Note 13 regarding outstanding balances of 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 Trade Receivables, Loans and Advances,

Term Deposits with banks 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 Conclusion on the Statement is not modified in respect of the above matters.

Other Matter

14. The consolidated unaudited financial results also include the Group's share of Loss of Rs. 9.44 lakhs and Rs. 28.31 lakhs for the quarter and nine months ended 31st December, 2019, respectively, in respect of the joint venture, whose unaudited financial statements have not been reviewed by their auditors. These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the management. Our conclusion, in so far as it relates to the affairs of the joint venture, is based solely on such unaudited financial statements and other unaudited financial information. According to the information and explanations given to us by the Management, these unaudited financial statements are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

15. Based on our review conducted as stated above, *except for the effects/possible effects of our observation stated in paragraph 5 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 there under and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulations read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Sundar Srini & Sridhar

Chartered Accountants

Firm Registration No: 0042015




S. Sridhar

Partner

Membership No: 025504

UDIN: 20025504AAAAAM6980

Place: Chennai

Date: February 06, 2020