

INDEPENDENT AUDITOR'S REPORT

To the Members of Consolidated Construction Consortium Limited

1. Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Consolidated Construction Consortium Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

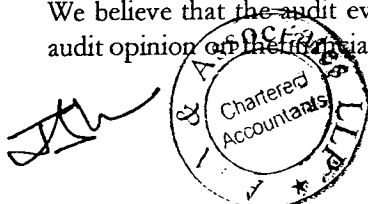
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In case of the Balance Sheet of the state Affairs of the company as at March 31, 2015,
- b) In case of the Statement of Profit and Loss, of the loss for the year ended on that date, and
- c) In case of Cash flow Statements, the cash flows for the year ended on that date.

5. Emphasis of Matter

1. We also draw your attention to Note 5.1 regarding financial condition and mitigating factors and preparation of financial statements on going concern basis by management. The financial statements do not include any adjustment in lieu of assertion in this regard.
2. We also draw your attention to Note 5.6 regarding treatment of certain items of income and expenditure amounting to Rs.2492.63 Lakhs (net) as exceptional items considering their size, type and incidents so that its disclosure improves and understanding performance of the company during the current year.

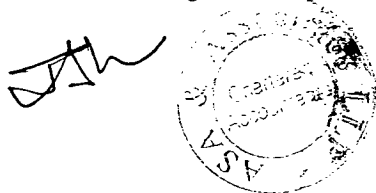
Our opinion is not qualified/modified in respect of these matters.

6. Report on Other Legal and Regulatory Requirements

6.1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

6.2 As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

A handwritten signature in black ink is written over a circular official stamp. The stamp contains the text "Chartered Accountant" and "ASA" in the center, with some other illegible text around the perimeter.

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Note 5.14 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For ASA & Associates LLP

Chartered Accountants

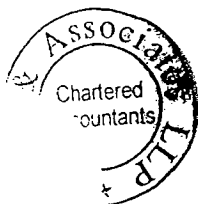
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J. Sivasankaran

Partner

Membership No: 022103



Place : Chennai

Date : May 27, 2015

Annexure to the Independent Auditors' Report

Referred to in paragraph 6.1 of the Independent Auditors' Report of even date to the members of Consolidated Construction Consortium Limited on the standalone financial statements for the year ended March 31, 2015

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the company and the nature its assets.
- (ii) a) As explained to us, the inventories including site materials, stores and construction aids have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
- b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) a) According to the information and explanation to us, the company has granted interest free unsecured loan to its subsidiary company and Step down subsidiaries, covered in the register maintained under Section 189 of the Companies Act..

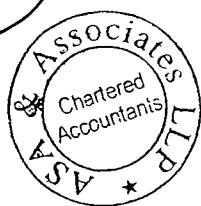
No of Parties : 3

Amounts Involved: Rs. 8,46,65,317/-

Maximum Amount Outstanding : Rs. 1,00,36,83,353/-

In the absence of any specific terms of arrangement with reference to repayments, no separate comments are offered to clause 3 (iii) (a) to (b) of the said orders.

- (iv) In our opinion and according to the information and explanations given to us the internal control system is commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses other than deficiencies with respect to completion of projects within agreed time lines.

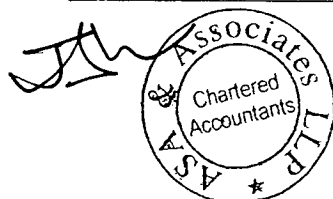


Annexure to the Independent Auditors' Report

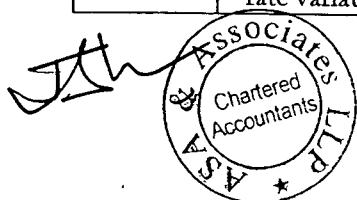
Referred to in paragraph 6.1 of the Independent Auditors' Report of even date to the members of Consolidated Construction Consortium Limited on the standalone financial statements for the year ended March 31, 2015

- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of services where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 148 of the Companies Act and are of the opinion that prime facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is not regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax/Value Added Tax (VAT), wealth tax, service tax, customs duty, excise duty, cess and other statutory dues as applicable with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the day the same became due.
- b) The Company has not deposited either fully or partly in respect of income-tax, sales-tax/ Value Added Tax (VAT), wealth tax, service tax, customs duty, excise duty and other government dues, on account of disputes before various forums as set out here under:

Name of Statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Income Tax Act, 1961	Disallowance of certain expenditure and claims	AO dated 28.12.2010	225.68***	2005-06	High Court of Madras
		AO dated 30.12.2010	945.77***	2007-08	Income Tax Appellate Tribunal
		AO dated 21.11.2011	414.97***	2008-09	Income Tax Appellate Tribunal

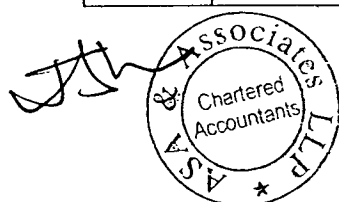


Name of Statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Income Tax Act, 1961	Disallowance of certain expenditure and claims	AO dated 28.03.2013	458.59***	2009-10	Commissioner of Income Tax (Appeals) -I, Chennai
Kerala VAT	Sales made to SEZ claimed as exempt (Extension of benefit in KGST Sought)	Assessment No.D-753/06/2005-06 dated 31.07.2008	55.10	2005-06	Appellate Assistant Commissioner Cochin
Karnataka VAT	Disallowance of Margin on sub-contract portion, Security Service and Repair Service.	Demand Notice dated 19.10.2010	35.40 *	2008-2009 (from Aug 08)	Joint Commissioner of Commercial Tax (Appeals), Bangalore
		Order dated 19.10.2010	34.20**	2009-2010	Joint Commissioner of Commercial Tax (Appeals), Bangalore
TNVAT	Inclusion of turnover of SEZ under Section 6 TNVAT and Stock Transfers	Based on Sworn Statement	407.85#	Jan 2007 to Mar 2008	Commercial Tax Officer, Chennai
	Reversal of Input Tax Credit for SEZ projects, Stock Transfers, Unregistered Purchases and schedule rate variation in RMC	Notice dated 28-11-2011	552.56#	Apr 2008 to Mar 2010	Commercial Tax Officer, Chennai

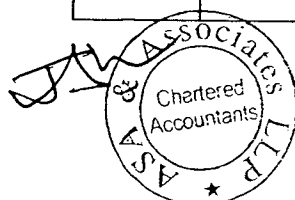


Name of Statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Central Excise Act, 1944	Levy of Excise Duty on manufacture of Ready Mix Concrete vide Notification 1/2011 dated 01.03.2011 for removal from a Batching Plant located outside the Project location and used exclusively for the project	O/O No.27/2013, Appeal No.59/2013 dt. 16/08/2013	14.78	2010-12 (Apr 11 to Jan 12)	Commissioner of Customs and Central Excise (Appeals), Chennai
		O/O No.147/2013, Appeal No.17/2014 dt. 03/03/2014	1.02	2011-12 (Feb 12 to Mar 12)	Commissioner of Customs and Central Excise (Appeals), Chennai
		O/O No.10/2013, Appeal No.32/2013 dt. 26/04/2013	1.62	2010-11 (Mar 11)	Commissioner of Customs and Central Excise (Appeals), Chennai
		O/O No.02/2013, Appeal No.31/2013 dt. 25/04/2013	3.96	2011-2012 (July 11 to Mar 12)	Commissioner of Customs and Central Excise (Appeals), Chennai
		SCN 03/2012 dt. 22/06/2012	0.11	2010-2011 (Mar 11)	The Additional Commissioner of Central Excise, Maduravoyal Division, Chennai IV Commissionerate, Chennai
		SCN 11/2013 dt. 02/05/2013	25.05	2012-2013 (Apr 2012 to Mar 2013)	The Additional Commissioner of Central Excise, Chennai IV Commissionerate, Chennai
		Order-in-Appeal No. 204 dated 09/01/2014	4.39	2011-2012 (March 2011 to Jan 2012)	Customs, Excise and Se Tax Appellate Tribunal,

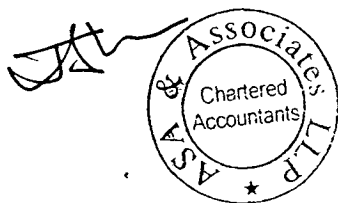
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Central Excise Act, 1944	Levy of Excise Duty on manufacture of Ready Mix Concrete vide Notification 1/2011 dated 01.03.2011 for removal from a Batching Plant located outside the Project location and used exclusively for the project	SCN 66/2011-12 dt 30.07.2013	4.59	2012-2013 (Aug 2012 to Dec 2012)	Commissioner of Central Excise, (Appeals), Delhi
		SCN IV/09/94/2013 dated 19.06.2013	10.07	2013-14	The Additional Commissioner of Central Excise, Mangalore
		O/O No.09/2013 dt. 22/07/2013	13.61	Oct 2011 to July 2012	Commissioner Appeals, Central Excise Commissionerate, Delhi – II
		SCN 843 dt. 09/04/2014	4.78	Jan 2013 to June 2013	The Assistant Commissioner of Central Excise, Division - VI, Nehru Place, New Delhi
		SCN 22/2014 dt. 28/04/2014	16.36	Jan 2013 to June 2013	The Additional Commissioner of Central Excise, Chennai IV Commissionerate, Chennai
Customs Duty	Short payment of Customs Duty for import of Equipment on High Sea Sale	SCN 1908 dated 21.02.2013	2.93	2008-2009	Directorate of Revenue Intelligence, Mumbai



Name of statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Service Tax	CENVAT Credit on Capital Goods utilized in discharging Service Tax where Notification 1/2006 is availed	Stay Order no.166 to 169/12 obtained from CESTAT on 21/03/2012	8,022.06	Apr 2006 - Sep 2008	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
		Order -in- Original No. 64/2011 dated 30/11/2011	1,338.46	Oct 2008 to Sep 2009	
		Order -in- Original No. 19 & 20 /2013 dated 28/02/2013	462.41	Oct 2009 to Sep 2010	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
		Order -in- Original No. 19 & 20 /2013 dated 28/02/2013	263.70	October 2010 to March 2011	
		SCN No. 227/2013 dated 02/07/2013	170.58	April 2011 to March 2012	Commissioner of Service Tax, Chennai
		SCN No. 243/2014 dated 27/08/2014	19.67	April 2012 to June 2012	Joint Commissioner of Service Tax, Service Tax Commissionerate, Chennai
		SCN No. 02/2015 dated 06/01/2015	21.15	July 2012 to March 2013	Joint Commissioner, Service Tax II Commissionerate, Chennai.



Name of statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Service Tax	Service Tax demanded on Retention monies held by client as the same is yet to receive from Client by us, Capital Goods used in SEZ Zone and Wrong availment of CVD in respect of 'Schwing Boom Placer' and CENVAT Credit on Capital Goods utilized in discharge	Order -in- Original No. 65/2011 dated 30/11/2011	446.21	2008-2009	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
		Order -in- Original No. 66/2011 dated 30/11/2011	394.74	2009 - 2010	
	Service Tax demanded on Retention monies held by client as the same is yet to receive from Client by us, Capital Goods and Scaffolding Materials which are exclusively used in Airport	Order -in- Original No. 50 & 51 -13-14 dated 22/01/2014	80.17	2010-2011	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
		Order -in- Original No. 50 & 51 -13-14 dated 22/01/2014	13.76	April 2011 to June 2011	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Chennai
	Service Tax on Works Contract Service provided to M/s. Bangalore Metropolitan Transport Corporation, Bangalore	SOD No. 237/2013 dated 10/07/2013	93.07	Sep 2011 to Sep 2012	Commissioner of Service Tax, Chennai
		SOD No. 29/2014 dated 09/12/2014	6.05	Oct 2012 to June 2014	Joint Commissioner, Service Tax II Commissionerate, Chennai.



Name of statute	Nature of dispute	Reference	Amount (Rs. in Lacs)	Periods to which the amount relates (F.Y)	Forum where the disputes are pending
Service Tax	Short Payment of Service Tax on Rebate Allowed by the Sub-Contractors	SCN No. 174/2014 dated 23/07/2014	41.07	April 2011 to Sep 2012	Joint Commissioner of Service Tax, Service Tax Commissionerate, Chennai
		SOD No. 30/2014 dated 09/12/2014	20.20	Oct 2012 to Mar 2014	Joint Commissioner, Service Tax II Commissionerate, Chennai.

* Paid under protest / Paid fully

** 50% paid balance through BG

*** Adjusted against the refund due

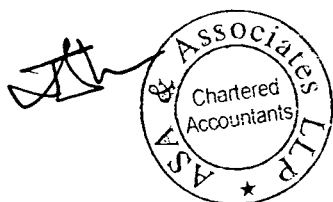
Partly paid under protest-writ filed in High Court

c) There is no requirement to transfer funds to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.

(viii) *The Company has accumulated losses as at March 31, 2015 to the tune of Rs. 19,924.32 Lakhs which is more than fifty percent of the Net worth. It has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.*

(ix) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or banks as at the balance sheet date.

(x) The Company has extended corporate guarantee to Banks of its wholly owned subsidiary for the facilities extended by the said Banks. In our opinion and according to the information and explanations given to us, the terms & conditions of such corporate guarantee are not prejudicial to the interest of the company.



Annexure to the Independent Auditors' Report

Referred to in paragraph 6.1 of the Independent Auditors' Report of even date to the members of Consolidated Construction Consortium Limited on the standalone financial statements for the year ended March 31, 2015

- (xi) According to the information and explanations given to us, the Company has accepted term loans from the bankers which are applied for purpose for which it was obtained. .
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For ASA & Associates LLP

Chartered Accountants

Firm's Registration No.: 009571N/N500006



J. Sivasankaran

Partner

Membership No.022103



Date : May 27, 2015

Place : Chennai