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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of ITD Cementation India Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of ITD Cementation India Limited ('the Company') for the quarter ended 31 December 2019 and the year to date results for the period 1 April 2019 to 31 December 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Attention is drawn to Note 7 to the accompanying Statement which states that the figures for the nine months ended 31 December 2018 as reported in these standalone unaudited financial results, are the balancing figures between the published standalone unaudited financial results for the twelve months ended 31 December 2018 and published standalone unaudited financial results for the quarter ended 31 March 2018.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and as per the presentation requirements of SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion 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 the Standards on Auditing specified under section 143(10) of the Act, 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.



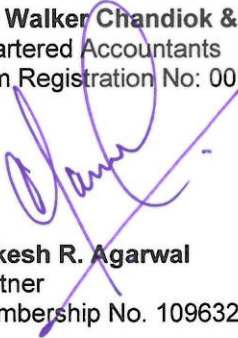
ITD Cementation India Limited

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and as per the presentation requirements of the SEBI Circular(s), and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw attention to the Note 3 to the accompanying Statement which describes the uncertainty related to the recoverability of current trade receivables and unbilled work-in progress (other current assets) amounting to ₹ 2,880.31 lakhs and ₹ 1,504.15 lakhs, respectively, outstanding as at 31 December 2019, representing receivable from a customer presently facing liquidity constraints. The management has assessed these outstanding balances as recoverable based on the progress of the discussions/negotiations with the customer and accordingly no adjustments have been made in the accompanying Statement. Our conclusion is not modified in respect of this matter.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013



Rakesh R. Agarwal
Partner
Membership No. 109632

UDIN No:20109632AAAABB6465

Place: Mumbai
Date: 11 February 2020



ITD Cementation India Limited

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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

(₹ in Lakhs unless specified)

Sr. No.	Particulars	Quarter ended	Preceding quarter ended	Corresponding quarter ended in the previous year	Nine months ended	Corresponding nine months ended (Refer note 7)	Previous 15 months period ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations	51,900.86	52,793.17	45,427.70	1,58,496.85	1,33,542.78	2,28,345.92
2	Other income	93.49	56.80	327.80	311.59	975.37	2,263.60
3	Total Income (1+2)	51,994.35	52,849.97	45,755.50	1,58,808.44	1,34,518.15	2,30,609.52
4	Expenses						
a)	Cost of construction materials consumed	18,198.15	19,305.99	12,567.71	56,917.97	39,617.70	74,775.36
b)	Subcontracting expenses	11,195.95	11,374.88	9,680.46	33,533.59	27,909.91	48,559.21
c)	Employee benefits expense	7,440.02	7,646.02	6,413.94	21,706.87	18,696.43	31,015.40
d)	Finance costs	2,344.73	2,176.33	1,418.67	6,495.69	4,225.48	7,784.57
e)	Depreciation and amortisation expense	2,030.10	1,930.70	1,327.54	5,856.87	4,151.99	6,958.39
f)	Other expenses	9,531.57	8,039.69	9,176.62	28,010.11	25,831.57	48,080.75
	Total expenses (a+b+c+d+e+f)	50,740.52	50,473.61	40,584.94	1,52,521.10	1,20,433.08	2,17,173.68
5	Profit before exceptional items and tax (3-4)	1,253.83	2,376.36	5,170.56	6,287.34	14,085.07	13,435.84
6	Exceptional items	-	-	-	-	-	-
7	Profit before tax (5-6)	1,253.83	2,376.36	5,170.56	6,287.34	14,085.07	13,435.84
8	Tax expense/ (credit) (Refer note 6)						
(a)	Current tax	(243.93)	214.14	1,843.34	1,288.09	5,957.08	5,347.44
(b)	Deferred tax	470.97	(6.32)	(115.44)	136.37	(903.54)	(99.00)
	Total tax expense (a+b)	227.04	207.82	1,727.90	1,424.46	5,053.54	5,248.44
9	Profit for the period (7-8)	1,026.79	2,168.54	3,442.66	4,862.88	9,031.53	8,187.40
10	Other comprehensive income/(loss)						
a)	(i) Items that will not be reclassified subsequently to profit or loss	(201.35)	56.87	(600.33)	(288.40)	(311.23)	(186.04)
	(ii) Tax effect on above	50.67	(28.38)	209.78	72.58	108.68	65.01
b)	(i) Items that will be reclassified subsequently to profit or loss	-	-	(33.58)	-	13.30	-
	(ii) Tax effect on above	-	-	11.73	-	(4.71)	-
	Other comprehensive income/(loss) for the period, net of tax (a+b)	(150.68)	28.49	(412.40)	(215.82)	(193.96)	(121.03)
11	Total comprehensive income for the period, net of tax (9+10)	876.11	2,197.03	3,030.26	4,647.06	8,837.57	8,066.37
12	Paid-up equity share capital (Face Value: ₹ 1 per share)	1,717.88	1,717.88	1,717.88	1,717.88	1,717.88	1,717.88
13	Other equity (excluding revaluation reserve)						1,00,370.23
14	Earnings per share (Face Value: ₹ 1 per share)						
a)	Basic (not annualised) in ₹	0.60	1.26	2.00	2.83	5.26	4.80
b)	Diluted (not annualised) in ₹	0.60	1.26	2.00	2.83	5.26	4.80
	See accompanying notes to the standalone unaudited financial results						



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Notes:

- 1) The standalone unaudited financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules as amended from time to time. The above standalone unaudited financial results have been reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 11 February 2020.
- 2) The Company is principally engaged in a single business segment viz Construction.
- 3) Current trade receivables and unbilled work-in-progress (Other current assets) as at 31 December 2019 include amounts of ₹ 2,880.31 lakhs and ₹ 1,504.15 lakhs respectively, which have been outstanding from a customer presently facing liquidity constraints. The Company has been actively negotiating/ discussing with the customer for realization of its dues and based on the progress of the negotiation/discussion, the Company is reasonably confident of their recovery and accordingly no adjustments have been made in the standalone unaudited financial results for the quarter and nine months period ended 31 December 2019.
- 4) Effective 1 April 2019, the Company has adopted Ind AS 115 – Revenue from Customers using the modified retrospective approach which is applied to contracts that were not completed as at 1 April 2019. Accordingly, the comparatives have not been adjusted retrospectively. Also the adoption of Ind AS 115 did not have any material impact on recognition and measurement of revenue and related items in the standalone unaudited financial results for the quarter and nine months period ended 31 December 2019.
- 5) Effective 1 April 2019, the Company has adopted Ind AS 116, 'Leases' using the modified retrospective approach, as a result of which the comparative information is not required to be restated. On transition, the Company has recorded the lease liability at the present value of the future lease payments discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the 'Right-of-use' asset at the same value as the lease liability, adjusted by the amount of any prepaid relating to that lease recognised in the balance sheet immediately before the date of initial application.

The adoption of the new standard resulted in the recognition of 'Right-of-use' asset amounting to ₹ 7,871.63 lakhs and corresponding lease liability of ₹ 7,662.57 lakhs at 1 April 2019. During the quarter and nine months period ended 31 December 2019, the Company has recognised finance cost on lease amounting to ₹ 203.39 lakhs and ₹ 630.67 lakhs, respectively, and amortisation on right-of-use assets amounting to ₹ 537.75 lakhs and ₹ 1,582.82 lakhs respectively, which would have been recognised as rent of ₹ 614.85 lakhs and ₹ 1,832.34 lakhs respectively, based on the earlier standard.
- 6) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the quarter and nine months ended 31 December 2019 basis the rate prescribed in the said section. The Company had also remeasured its deferred tax assets basis the revised rate and the impact of this change was recognised in the statement of profit and loss for the quarter ended 30 September 2019.
- 7) Pursuant to the change in the financial year of the Company from January-December to April -March, the previous financial year was for a period of fifteen months i.e. 1 January 2018 to 31 March 2019. Accordingly in these results, nine months ended 31 December 2018 is disclosed as corresponding nine months of the previous period. The figures for the corresponding nine months ended 31 December 2018 are the balancing figures between the published standalone unaudited financial results for the twelve months ended 31 December 2018 and published standalone unaudited financial results for the quarter ended 31 March 2018.

For and on behalf of the Board of Directors

Jayanta Basu
Managing Director
DIN. 08291114

Place : Mumbai
Date : 11 February 2020

