

The Manager
National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra-Kurla complex
Bandra (E), Mumbai – 400051.

The Deputy General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
23rd Floor, PJ Towers, Dalal Street,
Mumbai-400 001.

Trading Symbol : CCCL

SCRIP Code: 532902

Dear Sir/Madam,

Sub: Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015

In compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding disclosure of events or information we enclose herewith a copy of the order from SEBI with Ref: WTM/ASB/CFD/2/2024-25 dt: May 6, 2024 under SEBI (SAST) Regulations 2011.

The above information is also being hosted on the Company's website at www.ccclindia.com

This is for your information and records.

Thanking You,

Yours Faithfully,

For Consolidated Construction Consortium Limited

S S Arunachalam
Company Secretary
A:17626

SECURITIES AND EXCHANGE BOARD OF INDIA

ORDER

UNDER SECTION 11(1) AND SECTION 11(2)(h) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH REGULATION 11(5) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011.

IN THE MATTER OF PROPOSED ACQUISITION OF SHARES AND VOTING RIGHTS IN -

TARGET COMPANY	CONSOLIDATED CONSTRUCTION CONSORTIUM LIMITED
PROPOSED ACQUIRER	1. MR. R. SARABESWAR (PAN No. AAMPS7254C) 2. MR. S. SIVARAMAKRISHNAN (PAN No. AAMPS5179G)

Background -

1. Consolidated Construction Consortium Ltd. (for convenience "*Target Company*") is a company incorporated on July 11, 1997 and existing under the provisions of Companies Act, 1956. It has its registered office at No.8/33, Padmavathiyar Road, Jeypore Colony, Gopalapuram, Chennai, Tamil Nadu, 600086. The equity shares of the *Target Company* are listed on the BSE Ltd. ("**BSE**") and NSE Ltd. ("**NSE**").
2. An Application dated February 09, 2024, read with reply dated March 05, 2024, April 17, 2024 and May 06, 2024 (for convenience "*Application*") seeking exemption from the applicability of Regulation 3(1) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (for convenience "*Takeover Regulations, 2011*") for the proposed direct acquisition of shares in the *Target Company* was received from Mr. R. Sarabeswar and Mr. S. Sivaramakrishnan ("*Proposed Acquirers/ Acquirers/ Applicants /Promoters*").

3. *Acquirers* vide their *Application* have *inter-alia* submitted the following:

- (a) The issued, subscribed and paid up Equity Share Capital of the *Target Company* is INR 79,70,22,376/- divided into 39,85,11,188 equity shares of INR 2/- each. The *Target Company* has a promoter & promoter group shareholding of 15.16% and public shareholding of 84.84%. As on *March 31, 2024*, the shareholding pattern of *Target Company* is as follows:

S. No.	Name of shareholder	No. of shares	Percentage of Shareholding (%)
1.	R. Sarabeswar	2,62,97,347	6.60
2.	S. Sivaramakrishnan	2,08,16,129	5.22
3.	Vakati Govinda Reddy Janarthanam	48,56,990	1.22
4.	Sivaramakrishnan Archana	30,00,000	0.75
5.	Anjana S R Krishnan	30,00,000	0.75
6.	Padmavathy J	21,99,300	0.55
7.	S Lekshmi	1,20,000	0.03
8.	Letha L	1,13,415	0.03
9.	T R Seetharaman	7,000	0.00
Total Promoter and Promoter group Shareholding (A)		6,04,10,181	15.16
10.	Banks	22,76,08,671	57.11
11.	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	6,50,65,816	16.33
12.	Other Public Shareholders	4,54,26,520	11.40
Total Public Shareholding (B)		33,81,01,007	84.84
Total Shareholding (A+B)		39,85,11,188	100.00

- (b) The *Target Company* is engaged into construction and infrastructure development activities.
- (c) The *Target Company* went into financial stress between 2011-2012 and 2015-2016. On March 28, 2013, the lenders initiated and approved the Corporate Debt Restructuring ("*CDR*") and Master Restructuring Agreement was entered on March 29, 2014.

- (d) As per clause 12 (1) (iv) of the said CDR, pursuant to the approval of shareholders, the Board of Directors in its meeting held on August 19, 2015, allotted 21,37,33,963 equity shares of Rs. 2 each at a premium of Rs.1.86 per share of *Target Company* to the lenders by converting the loan/ debt of Rs.82,50,13,096/- into equity. Details of the same are given below:

Name of Bank	Loan Amount (in Rs.)	No. of Shares issued	% of shareholding in target company
State Bank of India ("SBI")	40,80,28,355	10,57,06,828	26.59
Bank of Baroda ("BOB")	17,86,28,400	4,62,76,787	11.61
ICICI Bank Ltd. ("ICICI")	16,40,01,170	4,24,87,350	10.66
IDBI Bank Ltd. ("IDBI")	7,43,55,171	1,92,62,998	4.83
Total	82,50,13,096	21,37,33,963	53.69

The aforesaid lenders were disclosed in the shareholding pattern under category "Public" of the *Target Company* since December 2015.

- (e) Since, the *Target Company* was under CDR, it could not procure the Government contracts which lead to further deterioration in fund position of the *Target Company*.
- (f) Due to deterioration in fund position, joint lenders meeting ("JLM") was held on November 11, 2016 and the lenders decided to invoke the Sustainable Structuring of Stressed Assets ("S4A") as per RBI circular issued on June 13, 2016. Pursuant to the above S4A implementation, out of 7,73,51,078 equity shares

pledged with the banks, pledge relating to equity shares of promoters R. Sarabeswar and S. Sivaramakrishnan were invoked on May 22, 2017. Details of the same are as under:

Name of Bank	No. of Shares invoked
SBI	1,35,77,389
BOB	82,62,978
ICICI	17,13,996
IDBI	62,66,767
Tata Capital Financial Services Ltd. ("TATA Capital")	4,16,472
Total	3,02,37,602

- (g) The aforesaid lenders have sold 1,59,47,22 equity shares of the *Target Company* in the market during the year 2015-2021, details are as follows:

Name of Bank	No. of Shares sold
SBI	23,34,755
BOB	10,00,000
ICICI	43,90,079
IDBI	82,22,588
Total	1,59,47,422

- (h) As on the date of the application, the lenders hold 57.21% shareholding in the *Target Company*. Details of such shareholding are as follows:

Particulars	SBI	BOB	ICICI	IDBI	Tata Capital	Total
Shares held by virtue of						
CDR- 2014	10,57,06,828	4,62,76,787	4,24,87,350	1,92,62,998	-	21,37,33,963

Particulars	SBI	BOB	ICICI	IDBI	Tata Capital	Total
S4A - 2017	1,35,77,389	82,62,978	17,13,996	62,66,767	4,16,472	3,02,37,602
Total A	11,92,84,217	5,45,39,765	4,42,01,346	2,55,29,765	4,16,472	24,39,71,565
Shares sold (B)	(23,34,755)	(10,00,000)	(43,90,079)	(82,22,588)	-	(1,59,47,422)
Net shares held (A - B)	11,69,49,462	5,35,39,765	3,98,11,267	1,73,07,177	4,16,472	22,80,24,143
% shareholding	29.35%	13.43%	9.99%	4.34%	0.10%	57.21%

- (i) Since, the financial position of the *Target Company* did not improve and financial default continued, the lead lender, SBI, filed an application under Section 7 of Insolvency and Bankruptcy Code, 2016 (“**IBC 2016**”) and took the *Target Company* into Corporate Insolvency Resolution Process (“**CIRP**”). The Hon’ble National Company Law Tribunal (“**NCLT**”), Chennai Bench vide order dated April 20, 2021 admitted the *Target Company* under CIRP and a resolution professional was appointed.
- (j) Despite the request for expression of interest invited for three (3) times, there was no interest received and accordingly, there was no successful Resolution Plan submitted to resolution professional within the time limit stipulated under the provisions of IBC, 2016.
- (k) As Committee of Creditors (“**CoC**”) were not interested in liquidation of the corporate debtor/ *Target Company*, they have considered the settlement plan submitted under section 12 A of IBC, 2016 by the promoters, as it considered the interest of all the stakeholders including minority shareholders. However, due to lapse of time as stipulated under IBC, 2016, the Hon’ble NCLT, Chennai

Bench vide its order dated May 12, 2023 passed an order under section 33 (1) of IBC, 2016, for liquidation of the *Target Company*.

- (l) Thereafter, an appeal was filed before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the promoters of the *Target Company* for reversal of the aforesaid order with the intention to revive the *Target Company* and to protect the interest of all the stakeholders. The Hon'ble NCLAT vide its Judgment dated September 21, 2023 set aside the liquidation order passed by the Hon'ble NCLT, Chennai Bench.
- (m) As per the settlement plan framed under Section 12 A of IBC, 2016, the following lenders have agreed to transfer the equity shares of the target company to the acquirer:

Particulars	SBI	BOB	IDBI	Tata Capital	Total
Shares held by virtue of					
CDR- 2014	10,57,06,828	4,62,76,787	1,92,62,998	-	17,12,46,613
S4A - 2017	1,35,77,389	82,62,978	62,66,767	4,16,472	2,85,23,606
Total A	11,92,84,217	5,45,39,765	2,55,29,765	4,16,472	19,97,70,219
Shares sold (B)	(23,34,755)	(10,00,000)	(82,22,588)	-	(1,15,57,343)
Net shares held (A - B)	11,69,49,462	5,35,39,765	1,73,07,177	4,16,472	18,82,12,876
% shareholding	29.35%	13.43%	4.34%	0.10%	47.22%

- (n) Lender ICICI has voted against the settlement plan framed under Section 12 A of IBC, 2016.
- (o) The breakup of shares to be acquired by the applicant from each lender, as submitted is as follows:

Acquirer	Current Shareholding (A)		Shares to be received (B)			Proposed Shareholding (A+B)	
	No. of Shares	%	Lender	No. of Shares	%	No. of Shares	%
Mr. Sarabeshwar	2,62,97,347	6.60	SBI	6,53,01,730	16.38	13,13,90,831	32.97
			BoB	2,98,95,300	7.50		
			IDBI	96,63,905	2.43		
			Tata Capital	2,32,549	0.06		
			Total	10,50,93,484	26.37		
S. Sivaramakrishnan	2,08,16,129	5.22	SBI	5,16,47,732	12.96	10,39,35,522	26.08
			BoB	2,36,44,465	5.93		
			IDBI	76,43,271	1.92		
			Tata Capital	1,83,924	0.05		
			Total	8,31,19,392	20.86		

(p) Pursuant to the submission of application for withdrawal of CIRP under Section 12A of IBC, 2016, with the approval of 94.10% CoC, the Hon'ble NCLT, Chennai Bench vide its order dated January 05, 2024 dismissed the CIRP initiated against *Target Company*.

4. Further, vide *Application*, the *Applicants* have *inter-alia* provided following grounds for seeking exemption:

- (a) In order to revive its operations, *Target Company* needs funds urgently and would like to embark on a revival plan immediately to meet the conditions stipulated by the bankers/ other lenders under settlement plan for repaying an amount of Rs. 175 crores. Making an open offer would delay this process of revival as all the energies of the promoters have to be concentrated on mobilizing finance for meeting the obligations under open offer or maintain the funds in separate escrow account and complying with the provisions of the *Takeover Regulations, 2011* till the open offer formalities are completed.
- (b) The shares of the *Target Company* are currently suspended and are not being traded due to the admission of the *Target Company* under IBC, 2016. Delay in the transfer of the shares from the bankers or implementation of the settlement

plan or making the open offer, which would again unnecessarily delay the process of revival of the *Target Company*.

- (c) The shares of the *Target Company* are infrequently traded and no shares were traded during the 90 trading days preceding the date of the *Application*. Further, the price determined as per the valuation is also negative. Hence, minimum price that would be offered to the shareholders under the open offer could be as low as Rs. 0.10 or less than Rs. 1.00. This would not benefit the shareholders in any manner. However, if exemption is granted, the promoters who are the only intellectual asset of the *Target Company* and who through their goodwill have already started obtaining orders for the *Target Company* will be able to revive the *Target Company* which would in turn lead to discovery of share price which would benefit the investors/ shareholders in the long run.
- (d) The bankers are interested in transferring the shares to the promoters at the earliest and any delay in this process could lead to a termination of the settlement plan which might end up with the *Target Company* being liquidated. This would prove all the efforts of the promoters being futile and not benefit the shareholders at large.
- (e) The proposed acquisition will not result in the breach of minimum public shareholding as mandated by Rule 19(2)(b) of the SCRR, 1957 and public shareholder shall continue to hold more than 25% of the share capital of *Target Company*.
- (f) The proposed acquisition will not be prejudicial to the interest of the public shareholders at large.

- (g) In case of resolution plan under IBC, 2016 the public shareholders will lose all investments in the *Target Company*. However, under the settlement plan, interest of the public shareholders of *Target Company* is protected fully.
- (h) *Acquirers* have committed to pay additional Rs. 80 crores in next 7 years and bank guarantee of Rs. 86 crores and Rs. 110.35 crores to other operational creditors, to revive the *Target Company* and to ensure the interest of every stake holder is protected.
- (i) Further, the proposed transfer of shares does not in any way result in a change in control or management of the *Target Company*.
- (j) As per the settlement plan, *Applicants* have already fulfilled the commitment of payment of Rs. 175 Crores to the lenders regarding fund based debts including all outstanding CCD, OCD, NCD, Working Capital, Term Loans, CC, Personal Guarantee, etc.

CONSIDERATION

5. Before I proceed with my consideration, I find it appropriate to quote the relevant regulatory provision(s) of *Takeover Regulations, 2011*, for facility of reference:

Substantial acquisition of shares or voting rights.

3. (1) No acquirer shall acquire shares or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, entitle them to exercise twenty-five per cent or more of the voting rights in such target company unless the acquirer makes a public announcement of an open offer for acquiring shares of such target company in accordance with these regulations.

6. I have considered the *Application* submitted by the *Acquirers* and other material available on record. Without reiterating the facts as stated above, the following is noted:

- (a) The *Application* submitted is in respect of the proposed direct acquisition of shares and voting rights in the *Target Company*.

- (b) Pursuant to the proposed acquisition, the *Acquirers along with PACs* would collectively hold 62.39% shares in the *Target Company*. The shareholding of the promoter group together with persons in the promoter group (who are PACs), would increase from 15.16% to 62.39%. This increase is beyond the threshold limit (of 25%) mentioned under Regulation 3(1) of the *Takeover Regulations, 2011*.
- (c) The proposed acquisition as detailed above, which is to be undertaken by the *Acquirers*, will attract the provisions of Regulation 3(1) of the *Takeover Regulations, 2011*.
- (d) The shareholding pattern pursuant to the proposed acquisition is produced below for reference:

Particulars	Shareholding before the proposed acquisition		Proposed transaction		After the proposed acquisition	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Promoter & Promoter group other than Acquirer(s)	1,32,96,705	3.34	-	-	1,32,96,705	3.34
Acquirers (who are promoters of TC)						
R. Sarabeswar	2,62,97,347	6.60	10,50,93,484	26.37	13,13,90,831	32.97
S. Sivaramakrishnan	2,08,16,129	5.22	8,31,19,392	20.85	10,39,35,521	26.08
Total (A)	6,04,10,181	15.16	18,82,12,876	47.22	24,86,23,057	62.39
Public shareholders						
SBI	11,69,49,462	29.35	(11,69,49,462)	(29.35)	-	-
BOB	5,35,39,765	13.43	(5,35,39,765)	(13.43)	-	-
IDBI	1,73,07,177	4.34	(1,73,07,177)	(4.34)	-	-
Tata Capital Financial Services Ltd.	4,16,472	0.10	(4,16,472)	(0.10)	-	-
Other Public shareholders	14,98,88,131	37.61	-	-	14,98,88,131	37.61

Particulars	Shareholding before the proposed acquisition		Proposed transaction		After the proposed acquisition	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Total (B)	33,81,01,007	84.84	(18,82,12,876)	(47.22)	14,98,88,131	37.61
Total (A + B)	39,85,11,188	100.00	-	-	39,85,11,188	100.00

- (e) The proposed direct acquisition would not affect or prejudice the interests of the public shareholders of the *Target Company* in any manner and has been necessitated to fulfill the settlement plan framed under Section 12 A of IBC, 2016.
- (f) There will be no change in control of the *Target Company* pursuant to the proposed acquisition.
- (g) The *Target Company* shall continue to be in compliance with the Minimum Public Shareholding requirements under the Securities Contracts Regulation Rules, 1957 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. Considering the aforementioned and the fact that the price offered to the shareholders under the open offer could be as low as Rs 0.10, which may not be beneficial for the public shareholders, I am of the view that exemption as sought for in the *Application* (read with other submissions) may be granted to the *Proposed Acquirers*, subject to certain conditions as ordered herein below.

ORDER

8. I, in exercise of the powers conferred upon me under Section 19 read with Section 11(1) and Section 11(2)(h) of the SEBI Act, 1992 and Regulation 11(5) of the *Takeover Regulations, 2011*, hereby grant exemption to the *Proposed Acquirer*, viz. **Mr. R. Sarabeswar and Mr. S. Sivaramakrishnan** from complying with the requirements of Regulation 3(1) of the *Takeover Regulations, 2011* with respect to the proposed direct

acquisition in the *Target Company*, viz. **Consolidated Construction Consortium Limited**, by way of proposed transaction as mentioned in the *Application*.

9. The exemption so granted is subject to the following conditions:
 - (a) The proposed acquisition shall be in accordance with the relevant provisions of the Companies Act, 2013 and other applicable laws.
 - (b) On completion of the proposed acquisition, the *Proposed Acquirers* shall file a report with SEBI within a period of 21 days from the date of such acquisition, as provided in the *Takeover Regulations, 2011*.
 - (c) The statements / averments made or facts and figures mentioned in the *Application* and other submissions by the *Proposed Acquirers* are true and correct.
 - (d) The *Proposed Acquirers* shall ensure compliance with the statements, disclosures and undertakings made in the *Application*.
10. The exemption granted above is limited to the requirements of making open offer under the *Takeover Regulations, 2011* and shall not be construed as exemption from the disclosure requirements under Chapter V of the aforesaid Regulations; compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable Acts, Rules and Regulations.
11. The exemption granted in this Order (at paragraph 8) from making an open offer in respect of the Proposed Acquisition shall remain valid for a period of 1 year from the date of this Order and the *Applicants* shall complete the implementation of the Proposed Acquisition within such period, failing which the granted exemption shall lapse and cease to exist.
12. Since this Exemption is granted under the peculiar facts and circumstances, same shall not be treated as precedence.

13. The Application dated February 09, 2024 read with other submissions filed by **Applicants**, is accordingly disposed of.

Place: Mumbai

Date: May 06, 2024

**ASHWANI BHATIA
WHOLE TIME MEMBER
SECURITIES AND EXCHANGE BOARD OF INDIA**