

MBL Infrastructures Ltd.

(CIN-L27109DL1995PLC338407)
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STATEMENT OF STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in Lakhs except earnings per share data)

Particulars	CONSOLIDATED											
	STANDALONE			Nine Months Ended			Quarter Ended			Nine Months Ended		
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)									
1 Revenue from Operation	2,638	6,157	4,392	14,081	24,912	48,674	2,652	6,160	4,117	14,117	25,055	51,070
2 Other Income	77	3,193	3,335	6,305	3,066	5,861	121	3,315	3,040	6,3081	6,600	6,600
3 Total Income (1 + 2)	2,715	9,350	7,131	20,386	27,978	54,535	2,773	9,475	7,157	20,709	28,136	57,670
4 Expenses												
a Cost of Materials Consumed	793	1,625	451	3,242	3,016	3,687	793	1,625	451	3,242	3,016	3,687
b Direct Labour Sub-Contracts etc	973	1,794	3,474	3,554	4,589	6,605	973	1,794	3,474	3,554	4,589	6,612
c Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
d Changes in inventories of finished products, work-in-progress and stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
e Employee benefits expense	238	282	196	778	752	858	295	303	20	824	770	919
f Finance Costs	(349)	4,070	9,762	8,032	19,574	24,597	(358)	4,247	9,641	9,248	19,394	24,986
g Depreciation and amortisation expense	349	349	408	1,044	1,228	1,461	373	422	432	1,160	1,331	2,266
h Other expenses	250	1,129	(256)	2,182	8,416	34,304	136	2,052	2,725	2,821	11,431	34,376
5 Total Expenses	2,537	9,249	14,037	18,832	37,575	71,512	2,212	10,443	16,933	20,849	40,531	72,846
6 Profit / (Loss) before Exceptional Item and Tax (3-4)	178	101	(6,906)	1,554	(9,597)	(16,977)	561	(968)	(9,776)	(140)	(12,395)	(15,176)
7 Profit/(Loss) before Tax (5+6)	178	101	(6,906)	1,554	(9,597)	23,236	561	(968)	(9,776)	(140)	(12,395)	16,384
8 Tax Expense												1,208
(1) Current Tax	-	-	-	-	-	-	-	-	-	38	73	6
(2) Deferred Tax	(3,422)	(624)	(2,156)	(3,857)	(3,314)	(666)	(3,389)	(757)	(3,387)	(3,965)	(4,326)	(707)
9 Profit / (Loss) for the period (7-8)	3,620	725	(4,756)	5,411	(6,283)	23,902	3,950	(211)	(6,427)	3,825	(8,142)	1,909
10 Other Comprehensive Income												
(i) Items that will not be reclassified to profit & Loss	13	27	E	68	8	91	13	27	8	68	8	91
(ii) Income Tax relating to items that will not be reclassified to profit & Loss	(5)	(9)	(2)	(24)	(3)	(31)	(5)	(9)	(3)	(24)	(3)	(31)
11 Total Comprehensive Income for the period (3 + 10)	3,628	743	(4,751)	5,455	(6,278)	23,962	3,958	(193)	(6,422)	3,869	(8,137)	1,969
12 Non-Controlling interest:	-	-	-	-	-	-	-	-	(973)	-	(940)	(359)
13 Net Profit / Loss after taxes and Non-controlling interest (11+12)	3,628	743	(4,751)	5,455	(6,278)	23,962	3,958	(193)	(5,449)	3,869	(7,197)	2,328
14 Paid up equity share capital (Face value of Rs. 10 each)	10,475,46	10,475,46	4,145,46	10,475,46	4,145,46	10,475,46	10,475,46	10,475,46	10,475,46	10,475,46	4,145,46	4,145,46
15 Earnings per Equity (EPS) (in Rs.)												
a. EPS before Exceptional Items (Basic and Diluted) (Rs.)	4.14	0.85	(1.46)	6.24	(15.14)	(39.20)	4.52	(1.22)	(13.14)	(3.38)	(17.36)	(34.77)
b. EPS after Exceptional Items (Basic and Diluted) (Rs.)	4.14	0.85	(11.46)	6.24	(15.14)	57.80	4.52	(1.22)	(13.14)	(3.38)	(17.36)	4.75

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Notes

- 1 The above financial results which have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016, were subject to 'Limited Review' by the Statutory Auditors of the Company and have been reviewed by the Audit Committee and thereafter were approved and taken on record by the Board of Directors of the Company in their meetings held on 14th February, 2019.
- 2 Earning Per Share (EPS) for the quarter ended 31st December 2018 is based on enhanced equity base post issuance of 6,33,00,000 fresh equity shares issued pursuant to the Resolution Plan approved by Hon'ble NCLT Kolkata.
- 3 The Company as at December 31, 2018 has (i) Non Current Investment amounting to Rs. 1,000.00 Lakhs (March 31, 2018; 1,000.00 Lakhs) in its subsidiary MBL (MP) Road Nirman Company Limited in which company is holding 25.14% directly and balance through wholly owned subsidiary MBL Projects Ltd.; (ii) Non Current Investment amounting to Rs 1,200.00 Lakhs (March 31, 2018; 1,200.00 Lakhs) in its wholly owned subsidiary AAP Infrastructure Limited; (iii) Non Current Investment amounting to Rs. 5,110.00 Lakhs (March 31, 2018; 5,110.00 Lakhs) in its wholly owned subsidiary MBL Highway Development Company Limited. All the above entities have incurred losses due to suspension/ cancellation of projects and net worth of above entities as at December 31, 2018 have been fully eroded and accordingly the net worth of these subsidiaries do not represent true market value. The Company has filed claims against the suspension / cancellation of projects. These claims are based on the terms & conditions implicit in the contract in respect of substantially closed/ suspended projects. Considering the contractual tenability, legal advice obtained and progress of negotiations/ discussions/ arbitration/ litigations, the management is confident of recovery in these claims.
- 4 The Company as at December 31, 2018 has Non Current Investment amounting to Rs. 2,984.25 Lakhs (March 31, 2018; 1,495.11 Lakhs) holds 100% shares in MBL Projects Ltd., the net worth of the company which does not represent true market value. The company holds shares in downstream SPVs in which projects were cancelled/ suspended. The SPVs have filed claims against suspension/cancellation of projects. These claims are based on the terms & conditions implicit in the contract in respect of substantially closed/ suspended projects. Considering the contractual tenability, legal advice obtained and progress of negotiations/ discussions/ arbitration/ litigations, the management is confident of recovery in these claims.
- 5 The Company as at December 31, 2018 has Non Current Investment amounting to Rs. 18,505.23 Lakhs (March 31, 2018; 11,527.00 Lakhs) holds 99.99% shares in Suratgarh Bikaner Toll Road Company Pvt Ltd. which has capitalised the entire amount spent till date and is expected to commence toll operations. The net worth of Suratgarh Bikaner Toll Road Company Private Limited does not represents true market value as the value of underlying investments/ assets. Based on TEV study report, certain estimates like future business plan, growth prospects and other factors, the management believes that the realisable amount is higher than the carrying value of non current assets due to which these are considered as good and recoverable.
- 6 Pursuant to the provisions of Ind AS-12, during the quarter the Company has recognised deferred tax asset corresponding to unused brought forward income tax losses for which it has convincing evidences viz. opportunities available in area of its core competence, bidding/pre-qualification limit, conducive government policies and market conditions, TEV study, approved Resolution Plan etc., based on which it is inferred that sufficient taxable profit will be available against which unused tax losses can be utilised by the Company.
- 7 The Company is engaged in Construction/Project activities which are substantially seasonal in nature and the margins vary based on the accrual of cost and recognition of income in different quarters due to nature of business or events which lead to revision in cost to complete.
- 8 The Company has claims in respect of cost over-run arising due to client responsibility delays, client's suspension of projects, deviation in design, change in scope of work etc., which are at various stages of negotiation/ discussion with the clients/ arbitration/litigation. The realisability of these claims are estimated based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Revenue in respect of claim is recognised to the extent the company is reasonably certain of their realisation.
- 9 Ind AS 115 - Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1,2018, replaces existing revenue recognition requirements. Based on the assessment done by management, there is no material impact on the revenue recognized during the period.
- 10 As part of the approved Resolution Plan there is waiver of interest/penal interest/interest on interest/other penal charges on the delayed payments from the date of NPA till the implementation of the package. As the lenders are yet to implement the package, interest etc. have not accrued to them. Accordingly no provision for interest has been made during the quarter and the provision of Rs 2946.71 Lakhs made in anticipation during the half year ended 30.09.2018 and corresponding Ind AS adjustment of Rs 2140.88 Lakhs has been reversed during the quarter ended 31.12.2018. The net resultant impact on statement of Profit and Loss for the quarter ended 31.12.2018 is Rs 805.82 Lakhs.
- 11 The Company's operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating Segments.
- 12 Figures for the previous period/quarter have been reworked/regrouped/recasted, wherever considered necessary.

Date: February 14, 2019
Place: New Delhi

For MBL Infrastructures Ltd.

Anjanee Kumar Lakhota
Chairman & Managing Director
DIN 00357695

Ref No: SARC/GGN/102

Limited Review Report

Review Report to

The Board of Directors

MBL Infrastructures Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MBL Infrastructures Ltd.** ('the Company') for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Sec 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 principals laid down in the applicable Indian Accounting standards ('Ind AS') specified under section 133



of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies 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 Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to:

- (a) The Company was under corporate insolvency resolution process under Insolvency and Bankruptcy Code (IBC) 2016. Hon'ble Kolkata bench of National Company Law Tribunal (NCLT) approved the resolution plan vide order dated April 18, 2018. The Powers of the board of directors were suspended during the financial year 2017-18 and were reinstated back on April 19, 2018.
- (b) In forming our opinion on the financial statements, the financial statements are prepared on going concern basis, considering the NCLT order dated April 18, 2018 approving resolution plan.
- (c) Note 3 to the statement, regarding the Company's non-current investments of (i) Rs.1,000 Lakhs (March 31, 2018: Rs.1000 Lakhs) in MBL MP Road Nirman Company Limited holding 25.14% equity, (ii) Rs.1,200 Lakhs (March 31, 2018: Rs.1200 Lakhs) in wholly owned subsidiary AAP Infrastructure Limited and (iii) Rs.5,110 Lakhs (March 31, 2018: Rs.5,110 Lakhs) in wholly owned subsidiary MBL Highway Development Company Limited, respectively, as at December 31, 2018. The consolidated net worth of the aforesaid companies has been fully eroded; however, based on the claims in respect of substantially closed/suspended projects and considering the contractual tenability, legal advice obtained and current negotiations/discussion/arbitration/litigations. Based on legal opinion/past experience, the management is of the view that aforementioned balances are fully recoverable. Our report is not modified in respect of this matter.
- (d) Note 4 to the statement, regarding the Company's non-current investments of Rs.2,984.25 Lakhs (March 31, 2018: Rs.1,495.11 Lakhs) in wholly owned subsidiary MBL Projects Limited as at December 31, 2018. The Subsidiary company holds shares in SPV's of 2 Projects which are cancelled/substantially suspended. The consolidated net worth of the aforesaid subsidiary has been



partially eroded; however, based on the claims in respect of substantially closed/suspended projects and considering the contractual tenability, legal advice obtained and current negotiations/discussion/arbitration/litigations. Based on legal opinion/past experience, the management is of the view that aforementioned balances are fully recoverable. Our report is not modified in respect of this matter.

(e) Note 5 to the statement regarding the company's non-current investment of Rs.18,505.03 Lakhs (March 31, 2018: Rs.11,527.00 Lakhs) holding 99.99% equity in subsidiary Suratgarh Bikaner Toll Road Company Private Limited as at December 31, 2018. The company has capitalized the entire amount spent till date and as per management estimate is expected to commence toll operation soon. The net worth of Suratgarh Bikaner Toll Road Company Private Limited does not represent true market value as the value of underlying investment/assets based on the TEV study, based on future business plan, growth prospects, as described in the said note, management believes that the realizable amount is higher than the carrying value of non-current investments and are considered as good and recoverable. Our report is not modified in respect of this matter.

For SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



[Kamal Aggarwal]

Partner

Membership No.: 090129

Place: New Delhi

Date: 14 February 2019

Ref No: SARC/GGN/103

Limited Review Report

Review Report to**The Board of Directors****MBL Infrastructures Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MBL Infrastructures Ltd.** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Sec 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The Statement includes the result of the financial entities:

Name of the Entity	Relationship
MBL (MP) Toll Road Company Limited	Wholly Owned Subsidiary
MBL Highway Development Company Limited	Wholly Owned Subsidiary
MBL Projects Limited	Wholly Owned Subsidiary
AAP Infrastructures Limited	Wholly Owned Subsidiary
MBL (Haldia) Toll Road Company Limited	Wholly Owned Subsidiary



Suratgarh Bikaner Toll Road Company Pvt Ltd	Subsidiary
MBL (MP) Road Nirman Company Limited	Subsidiary
MBL (Udaipur Bypass) Road Limited	Subsidiary

3. Based on our review conducted as above, and on consideration of the reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies have 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 Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
 - (a) The Company was under corporate insolvency resolution process under Insolvency and Bankruptcy Code (IBC) 2016. Hon'ble Kolkata bench of National Company Law Tribunal (Hon'ble NCLT) approved the resolution plan vide order dated April 18, 2018. The Powers of the board of directors were suspended during the financial year 2017-18 and were reinstated back on April 19, 2018.
 - (b) In forming our opinion on the financial statements, the financial statements are prepared on going concern basis, considering the NCLT order dated April 18, 2018 approving resolution plan.
 - (c) Note 3 to the statement, regarding the Company's non current investments of (i) Rs.1,000 Lakhs (March 31, 2018: Rs.1000.00 Lakhs) in MBL MP Road Nirman Company Limited holding 25.14% equity, (ii) Rs.1,200 Lakhs (March 31, 2018: Rs.1200.00 Lakhs) in wholly owned subsidiary AAP Infrastructure Limited and (iii) Rs.5,110 Lakhs (March 31, 2018: Rs.5110.00 Lakhs) in wholly owned subsidiary MBL Highway Development Company Limited, respectively, as at December 31, 2018. The consolidated net worth of the aforesaid companies has been fully eroded; however, based on the claims in respect of substantially closed/suspended projects and considering the contractual tenability, legal advice obtained and current negotiations/discussion/arbitration/litigations. Based on legal opinion/past experience, the management is of the view that aforementioned balances are fully recoverable. Our report is not modified in respect of this matter.
 - (d) Note 4 to the statement, regarding the Company's non-current investments of Rs. 2,984.25 Lakhs (March 31, 2018: Rs.1,495.11 Lakhs) in wholly owned subsidiary MBL Projects Limited as at December 31, 2018. The Subsidiary company holds shares in SPV's of 2 Projects which are



cancelled/substantially suspended. The consolidated net worth of the aforesaid subsidiary has been partially eroded; however, based on the claims in respect of substantially closed/suspended projects and considering the contractual tenability, legal advice obtained and current negotiations/discussion/arbitration/litigations. Based on legal opinion/past experience, the management is of the view that aforementioned balances are fully recoverable. Our report is not modified in respect of this matter.

(e) Note 5 to the statement regarding the company's non-current investment of Rs.18,505.03 Lakhs (March 31, 2018: Rs.11,527.00 Lakhs) holding 99.99% equity in subsidiary Suratgarh Bikaner Toll Road Company Private Limited as at December 31, 2018. The company has capitalized the entire amount spent till date and as per management estimate is expected to commence toll operation soon. The net worth of Suratgarh Bikaner Toll Road Company Private Limited does not represent true market value as the value of underlying investment/assets based on the TEV study, based on future business plan, growth prospects, as described in the said note, management believes that the realizable amount is higher than the carrying value of non-current investments and are considered as good and recoverable. Our report is not modified in respect of this matter.

5. We did not review the Financial Results of eight subsidiaries included in the Statement, whose interim total revenue (after eliminating intra-group transactions) of Rs.58 Lakhs for the quarters ended December 31, 2018 as considered in the Statement. These interim Financial Results have been reviewed by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on the reports of the other auditors. Our report is not modified in respect of this matter.

For SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



[Kamal Aggarwal]

Partner

Membership No.: 090129

Place: New Delhi

Date: 14 February 2019

