

Date: 13.08.2024

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.
Scrip Code: 533152

The Manager
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block "G"
5th floor, Bandra Kurla Complex,
Bandra East, Mumbai- 400051.
Symbol: MBLINFRA

Sir,

Sub: Outcome of the Board Meeting held on 13th August, 2024.

Please note that the Board of Directors of the Company in its meeting held on 13th August, 2024, has, inter-alia, considered, approved and adopted the Un-audited Financial Results (both Standalone & Consolidated) for the quarter ended 30th June, 2024. A copy of the Financial Results (both Standalone & Consolidated) of the Company for the quarter ended 30th June, 2024 along with Limited Review Report of the Statutory Auditors thereon are enclosed.

The meeting commenced at 11.00 A.M and concluded at 1.05 P.M.

This may be treated as compliance with the Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Thanking you,
Yours faithfully,
For MBL Infrastructure Ltd.


(Anubhav Maheshwari)
Company Secretary

Encl. a/a



MBL Infrastructure Ltd.

(Formerly MBL Infrastructures Ltd.)

Registered & Corporate Office : Bani Corporate One, Suite no. 308, 3rd Floor, Plot No. 5, Commercial Centre, Jasola, New Delhi-110 025
Tel. : +91-11-48593300 - 10, Email : delhi@mblinfra.com Website : www.mblinfra.com, CIN-L27109DL1995PLC338407

MBL Infrastructure Limited
(CIN-L27109DL1995PLC338407)

Registered & Corporate Office: Bani Corporate One, Suite No. 308, 3rd Floor,
Plot No. 5, Commercial Centre, Jasola, New Delhi - 110025
Tel No. 011-44792982; www.mblinfra.com; Email : es@mblinfra.com.

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lakhs except earnings per share data)

| S. No. | Particulars | Quarter Ended | | Year Ended | |
|-----------|--|---------------|---------------------------------|---------------|-----------------|
| | | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | | (Unaudited) | (Audited) (Refer Note No.14) | (Unaudited) | (Audited) |
| 1 | Income | | | | |
| | a. Revenue from Operation | 2,159 | 1,280 | 1,943 | 5,743 |
| | b. Other Income (refer note no.11a) | 3,346 | 2,756 | 3,409 | 12,672 |
| | Total Income | 5,505 | 4,036 | 5,352 | 18,415 |
| 2 | Expenses | | | | |
| | a. Cost of Materials Consumed | 170 | 222 | 474 | 974 |
| | b. Direct Labour, Sub-Contracts etc | 37 | 20 | 695 | 809 |
| | c. Employee Benefits Expense | 117 | 150 | 153 | 560 |
| | d. Finance Costs | 81 | 74 | 74 | 293 |
| | e. Depreciation and Amortisation Expense | 116 | 119 | 125 | 493 |
| | f. Other Expenses (refer note no.11b) | 4,791 | 3,222 | 3,709 | 14,623 |
| | Total Expenses | 5,312 | 3,807 | 5,230 | 17,752 |
| 3 | Profit/ (Loss) before Exceptional Item and Tax (1-2) | 193 | 229 | 122 | 663 |
| 4 | Exceptional Items | - | - | - | - |
| 5 | Profit/ (Loss) before Tax (3+4) | 193 | 229 | 122 | 663 |
| 6 | Tax Expense | | | | |
| | a. Current Tax | - | - | - | - |
| | b. Deferred Tax | - | - | - | - |
| | c. Income Tax for Earlier Years | - | - | - | - |
| | Total Tax Expenses | - | - | - | - |
| 7 | Profit/ (Loss) for the period (5-6) | 193 | 229 | 122 | 663 |
| 8 | Other Comprehensive Income | | | | |
| | a. Items that will not be reclassified to profit & Loss | - | 10 | - | 10 |
| | b. Income Tax relating to items that will not be reclassified to profit & Loss | - | - | - | - |
| | Total Other Comprehensive Income for the period (8) | - | 10 | - | 10 |
| 9 | Total Comprehensive Income for the period (7+8) | 193 | 239 | 122 | 673 |
| 10 | Paid up Equity Share Capital (Face value of Rs.10/- each) | 10,975 | 10,475 | 10,475 | 10,475 |
| 11 | Other Equity | - | - | - | 1,13,944 |
| 12 | Earnings per Equity (EPS) (in Rs.) | | | | |
| | a. EPS before Exceptional Items (Basic and Diluted) (in Rs.) | 0.18 | 0.23 | 0.12 | 0.63 |
| | b. EPS after Exceptional Items (Basic and Diluted) (in Rs.) | 0.18 | 0.23 | 0.12 | 0.63 |



Notes

- 1 These unaudited standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Companies (Indian Accounting Standards) Rules, 2015 as amended. The standalone financial results of the Company have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company in their meeting held on August 13, 2024. The same have also been subjected to Limited Review by the Statutory Auditors.
- 2 Resolution Plan dated November 22, 2017 submitted by Mr. A K Lakhota with 78.50% CoC majority support was approved under IBC, 2016 and Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble National Company Law Tribunal ("NCLT"), Kolkata, Orders dated August 16, 2019 and May 23, 2023 by Hon'ble National Company Law Appellate Tribunal ("NCLAT") and Orders dated January 18, 2022, August 04, 2023 and September 25, 2023 by Hon'ble Supreme Court were passed and the Resolution Plan has attained finality. 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 Resolution Plan. Accordingly, no provision for interest amounting to Rs.581 lakhs has been made for the quarter ended June 30, 2024. The period from April 18, 2018 till August 04, 2023 is formally excluded from the calculation period of implementation of Resolution Plan and all dates mentioned in the Resolution Plan are consequentially extended for implementation of Resolution Plan.
- 3 The Resolution Plan approved under IBC is binding on all creditors including the Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016. Claims not filed/ not admitted/ claims which do not form part of the approved Resolution Plan stand extinguished. The payments of admitted claims are subject to reconciliation and rights and remedies available to the Company and are not acknowledged as debt.
- 4 As per legal advice received, in case of claim not filed by creditor against Corporate Guarantee(s) provided by the Company in respect of subsidiary company(ies), the same stand extinguished. Without prejudice to the above, as per the Resolution Plan dated November 22, 2017 of the Company approved under IBC, 2016 read with Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble NCLT, Kolkata, Order dated August 16, 2019 and May 23, 2023 passed by Hon'ble NCLAT and Order dated January 18, 2022, August 04, 2023 and September 25, 2023 passed by Hon'ble Supreme Court, the treatment of Corporate Guarantees is "Any amount arising out of invocation of existing Corporate Guarantees/Contingent Liabilities other than the current sub-judice matters will be paid after the payment of all the dues of Financial Creditors as per resolution plan, without any interest and penalties subject to the rights and remedies available to the Company" and "All amounts will be paid after proper reconciliation and without prejudice to the legal remedies available to the Company."
- 5 The Company has as at June 30, 2024 Non-Current Investment amounting to Rs.2,984 lakhs (June 30, 2023: Rs.2,984 lakhs) in its wholly owned subsidiary company MBL Projects Ltd. The net worth of the subsidiary does not represent true market value of the underlying investment/assets. The subsidiary holds shares in downstream SPVs in which projects were cancelled/terminated. Claims have been filed against cancellation/termination of the projects. These claims are based on the terms and conditions implicit in the contract in respect of cancelled/terminated projects. Considering the contractual tenability; legal advice received and progress of arbitration/litigation, the management is confident of recovery of these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, has considered the investment in the above subsidiary as good and recoverable.
- 6 The Company has as at June 30, 2024 Non- Current Investment amounting to Rs.5,110 lakhs (June 30, 2023: Rs.5,110 lakhs) in its wholly owned subsidiary company MBL Highway Development Company Limited (MHDCL). The net worth of subsidiary does not represent true market value of the underlying investment/assets. There was a participation in concession agreement dated September 09, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in DBFOT project of MBL Highway Development Company Limited (MHDCL). Repayments and interest were to be made from escrow account out of deposit of user fee (toll) on achievement of Commercial Operation Date (COD). However the concession agreement was terminated by Authority on November 18, 2016. Legal proceedings are pending at various forums for adjudication of disputes including dispute resolution proceedings in India and summary judgement and certificate of enforcement from a foreign country and its execution petition in India by such participant. MHDCL has received legal advice that the same is not enforceable. MHDCL has counter claims against the participant exceeding the amount of the claims. However, provision has been made for claims including foreign exchange fluctuation as per 'conservative principles of accounting' but the same is not acknowledged as debt payable by MHDCL. MHDCL has invoked arbitration against the Authority and Lenders Representative / Escrow Agent on account of material defaults/breach on their part in fulfilling their obligations as per provisions of Substitution Agreement and filed claims before Arbitral Tribunal constituted by Indian Council of Arbitration under the Substitution Agreement. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.



7 The Company has as at June 30, 2024 Non-Current Investment amounting to Rs.18,505 lakhs (June 30, 2023; Rs.18,505 lakhs) in its wholly owned subsidiary company Suratgarh Bikaner Toll Road Company Private Limited (SBTRCPL). The net worth of the subsidiary does not represent true market value of the underlying investment/assets. There has been delay in Completion / Commercial Operation Date (COD) in respect of the DBFOT Project of the wholly owned subsidiary Company, Suratgarh Bikaner Toll Road Company Private Ltd. (SBTRCPL) and SBTRCPL has applied to the Authority for extension of time in terms of the Concession Agreement. The repayment of loans is linked to Completion / COD. The Lenders had given undertaking not to recover till Completion. Differences and Disputes have arisen and SBTRCPL has invoked Arbitration in terms of the Dispute Resolution Mechanism under the Escrow Agreement dated April 10, 2013 on account of material defaults / breaches on their part in fulfilling their obligation as per provisions of the Concession Agreement, Substitution Agreement and Escrow Agreement and filed claims of Rs.1,04,552 lakhs. SBTRCPL started its tolling operations on February 17, 2019 for 156.635 km which increased to 166.415 km from April 01, 2021 and further to 170.26 km from October 01, 2023. The sanction rate of interest was 12.50% p.a. with reset clause on Completion / COD. Pending dispute resolution, provision for finance cost has been made @ 7.60% p.a. w.e.f. April 01, 2020 (rate as per the proposed Resolution Plan as on that date). In case the dispute is decided against SBTRCPL, there may be additional provision of interest of Rs.8,201 lakhs as on June 30, 2024 (Rs.6,693 lakhs as on June 30, 2023). In case the Dispute is resolved / settlement is arrived at with the Project Lenders, the provision of interest may be reversed, the amount of which is not ascertained as on date. Further, the classification of the term loan to long term / current maturity, provision for claims, carriage ways of intangible assets etc. may under go change. Two of the consortium lenders of SBTRCPL have filed application under section 7 of the IBC, 2016 which has been contested by SBTRCPL. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement and Common Loan Agreement and are not maintainable. Two of the Consortium Lenders of SBTRCPL have filed petitions under section 19(4) of the Recovery of Debt and Bankruptcy Act, 1993 against SBTRCPL and the Company, which have been contested by SBTRCPL and the Company. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement, Common Loan Agreement and the Approved Resolution Plan of the Company and are not maintainable. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.

8 The Company has as at June 30, 2024 Non-Current Investment amounting to Rs.1,500 lakhs (June 30, 2023; Rs.1,500 lakhs) in its wholly owned subsidiary company MBL (MP) Toll Road Company Ltd ("MTRCL"). The net worth of subsidiary does not represent true market value of the underlying investment/assets. There was a participation in concession agreement dated December 07, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India in terms of RBI guidelines and other applicable Indian laws in Toll + Annuity project of MTRCL. Repayments and interest were to be made from escrow account out of deposit of semi annual annuity and user fee (toll) on achievement of Completion / Commercial Operation Date (COD). Arbitration proceedings have been initiated by MTRCL under Arbitration & Conciliation Act, 1996 vide notice dated March 20, 2023 against the Authority and Lenders Representative / Escrow Agent for differences and disputes that have arisen due to breach of escrow agreement dated March 22, 2012. The Arbitration case has been registered with Indian Council of Arbitration and MTRCL has raised claims of Rs. 35,429 Lakhs. Lenders Representative has preferred proceedings under IBC, 2016 which has been contested by MTRCL as non maintainable, inter-alia, on account of pending arbitration for adjudication of disputes. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.

9 Pursuant to the provisions of Ind AS 12 "Income Taxes", the Company has conservatively recognised deferred tax assets (net) as at June 30, 2024 amounting to Rs Nil (June 30, 2023 Rs. Nil) 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, recovery of pending claims, TEV study and 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.

10 The Company has claims in respect of cost over-runs 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 by the Company 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. Realisation of above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.

11 a. Other income comprises:

| Particulars | Quarter Ended | | | Year Ended |
|--|---------------|----------------|---------------|----------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2023 | March 31, 2024 |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| a. Ind-AS Adjustment | 3,329 | 2,733 | 3,381 | 12,569 |
| b. Interest on fixed deposits & others | 12 | 22 | 10 | 80 |
| c. Others | 5 | 1 | 18 | 23 |
| Total | 3,346 | 2,756 | 3,409 | 12,672 |

b. Other expenses comprises:

| Particulars | Quarter Ended | | | Year Ended |
|--------------------------------|---------------|----------------|---------------|----------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2023 | March 31, 2024 |
| | (Unaudited) | (Audited) | (Unaudited) | (Audited) |
| a. Ind-AS Adjustment | 4,465 | 2,971 | 3,270 | 13,186 |
| b. Miscellaneous Expenses etc. | 326 | 251 | 439 | 1,437 |
| Total | 4,791 | 3,222 | 3,709 | 14,623 |

- 12 The Company is engaged in Infrastructure Construction/Project activities which are 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.
- 13 The Company's operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating Segments.
- 14 The figure for the quarter ended March 31, 2024 is balancing figures between the audited figures in respect of the full financial year upto March 31, 2024 and the unaudited published year to date figure upto the third quarter ended December 31, 2023 being the date of the end of third quarter of the financial year which were subjected to limited review.
- 15 Figures for the previous period/quarter have been reworked/regrouped/recasted, wherever considered necessary.
- 16 All figures are in lakhs except earnings per share. Figures in () denote negative/decrease.

Date: August 13, 2024
Place: New Delhi



For MBL Infrastructure Ltd.

Anjane Lakhota
Anjane Kumar Lakhota
Chairman & Managing Director
DIN 00357695

SV/24-25/011

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

Review Report to
The Board of Directors
MBL Infrastructure Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MBL Infrastructure Limited** (the "Company") for the quarter ended June 30, 2024 (the "Statement") being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended thereafter (the "Listing Regulations")
2. The Company's management is responsible for the preparation of the statement in accordance with 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") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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 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 ("ICAI"). 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 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 Standards on Auditing 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.
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 recognition and measurement principles laid down in the applicable Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Emphasis of Matters

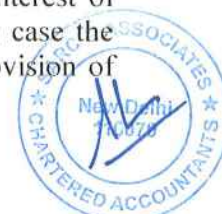
We draw attention to the following matters in the notes to the accompanying standalone financial results:

- a. Note 2 regarding the approval of Resolution Plan dated November 22, 2017 submitted by Mr. A K Lakhotia with 78.50% CoC majority support was approved under IBC, 2016 and Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble National Company Law Tribunal ("NCLT"), Kolkata, Orders dated August 16, 2019 and May 23, 2023 by Hon'ble National Company Law Appellate Tribunal ("NCLAT") and Orders dated January 18, 2022, August 04, 2023 and September 25, 2023 by Hon'ble Supreme Court were passed and the Resolution Plan has attained finality. 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 Resolution Plan. Accordingly, no provision for interest amounting to Rs.581 lakhs has been made for the quarter ended June 30, 2024. The period from April 18, 2018 till August 04, 2023 is formally excluded from the calculation period of implementation of Resolution Plan and all dates mentioned in the Resolution Plan are consequentially extended for implementation of Resolution Plan.
- b. Note 3 regarding the Resolution Plan approved under IBC which is binding on all creditors including the Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016. Claims not filed/ not admitted/ claims which do not form part of the approved Resolution Plan stand extinguished. The payments of admitted claims are subject to reconciliation and rights and remedies available with the Company and are not acknowledged as debt.
- c. Note 4 regarding the legal advice received, in case of claim not filed by creditor against Corporate Guarantee(s) provided by the Company in respect of subsidiary company(ies), the same stand extinguished. Without prejudice to the above, as per the Resolution Plan dated November 22, 2017 of the Company approved under IBC, 2016 read with Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble NCLT, Kolkata, Order dated August 16, 2019 and May 23, 2023 passed by Hon'ble NCLAT and Order dated January 18, 2022, August 04, 2023 and September 25, 2023 passed by Hon'ble Supreme Court, the treatment of Corporate Guarantees is "Any amount arising out of invocation of existing Corporate Guarantees/Contingent Liabilities other than the current sub-judice matters will be paid after the payment of all the dues of Financial Creditors as per resolution plan, without any interest and penalties subject to the rights and remedies available to the Company" and "All amounts will be paid after proper reconciliation and without prejudice to the legal remedies available to the Company."
- d. Note 5 regarding the Non-Current Investment as at June 30, 2024 amounting to Rs.2,984 lakhs (June 30, 2023; Rs.2,984 lakhs) in its wholly owned subsidiary company MBL Projects Ltd. The net worth of the subsidiary does not represent true market value of the underlying investment/assets. The subsidiary holds shares in downstream SPVs in which projects were cancelled/terminated. Claims have been filed against cancellation/termination of the projects. These claims are based on the terms and conditions implicit in the contract in respect of cancelled/terminated projects. Considering the contractual tenability; legal advice received and progress of arbitration/litigation, the management is confident of recovery of these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of



the investment and, therefore, has considered the investment in the above subsidiary as good and recoverable.

- e. Note 6 regarding the Non-Current Investment as at June 30, 2024 amounting to Rs.5,110 lakhs (June 30, 2023; Rs.5,110 lakhs) in its wholly owned subsidiary company MBL Highway Development Company Limited (MHDCL). The net worth of subsidiary does not represent true market value of the underlying investment/assets. There was a participation in concession agreement dated September 09, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in DBFOT project of MBL Highway Development Company Limited (MHDCL). Repayments and interest were to be made from escrow account out of deposit of user fee (toll) on achievement of Commercial Operation Date (COD). However the concession agreement was terminated by Authority on November 18, 2016. Legal proceedings are pending at various forums for adjudication of disputes including dispute resolution proceedings in India and summary judgement and certificate of enforcement from a foreign country and its execution petition in India by such participant. MHDCL has received legal advice that the same is not enforceable. MHDCL has counter claims against the participant exceeding the amount of the claims. However, provision has been made for claims including foreign exchange fluctuation as per 'conservative principles of accounting' but the same is not acknowledged as debt payable by MHDCL. MHDCL has invoked arbitration against the Authority and Lenders Representative / Escrow Agent on account of material defaults/breach on their part in fulfilling their obligations as per provisions of Substitution Agreement and filed claims before Arbitral Tribunal constituted by Indian Council of Arbitration under the Substitution Agreement. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.
- f. Note 7 regarding the Non-Current Investment as at June 30, 2024 amounting to Rs.18,505 lakhs (June 30, 2023; Rs.18,505 lakhs) in its wholly owned subsidiary company Suratgarh Bikaner Toll Road Company Private Limited (SBTRCPL). The net worth of the subsidiary does not represent true market value of the underlying investment/assets. There has been delay in Completion / Commercial Operation Date (COD) in respect of the DBFOT Project of the wholly owned subsidiary Company, Suratgarh Bikaner Toll Road Company Private Ltd. (SBTRCPL) and SBTRCPL has applied to the Authority for extension of time in terms of the Concession Agreement. The repayment of loans is linked to Completion / COD. The Lenders had given undertaking not to recover till Completion. Differences and Disputes have arisen and SBTRCPL has invoked Arbitration in terms of the Dispute Resolution Mechanism under the Escrow Agreement dated April 10, 2013 on account of material defaults / breaches on their part in fulfilling their obligation as per provisions of the Concession Agreement, Substitution Agreement and Escrow Agreement and filed claims of Rs.1,04,552 lakhs. SBTRCPL started its tolling operations on February 17, 2019 for 156.635 km which increased to 166.415 km from April 01, 2021 and further to 170.26 km from October 01, 2023. The sanction rate of interest was 12.50% p.a. with reset clause on Completion / COD. Pending dispute resolution, provision for finance cost has been made @ 7.60% p.a. w.e.f. April 01, 2020 (rate as per the proposed Resolution Plan as on that date). In case the dispute is decided against SBTRCPL, there may be additional provision of interest of Rs.8,201 lakhs as on June 30, 2024 (Rs.6,693 lakhs as on June 30, 2023). In case the Dispute is resolved / settlement is arrived at with the Project Lenders, the provision of



interest may be reversed, the amount of which is not ascertained as on date. Further, the classification of the term loan to long term / current maturity, provision for claims, carriage ways of intangible assets etc. may undergo change. Two of the consortium lenders of SBTRCPL have filed application under section 7 of the IBC, 2016 which has been contested by SBTRCPL. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement and Common Loan Agreement and are not maintainable. Two of the Consortium Lenders of SBTRCPL have filed petitions under section 19(4) of the Recovery of Debt and Bankruptcy Act, 1993 against SBTRCPL and the Company, which have been contested by SBTRCPL and the Company. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement, Common Loan Agreement and the Approved Resolution Plan of the Company and are not maintainable. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.

- g. Note 8 regarding the Non-Current Investment as at June 30, 2024 amounting to Rs.1,500 lakhs (June 30, 2023; Rs.1,500 lakhs) in its wholly owned subsidiary company MBL (MP) Toll Road Company Ltd ("MTRCL"). The net worth of subsidiary does not represent true market value of the underlying investment/assets. There was a participation in concession agreement dated December 07, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India in terms of RBI guidelines and other applicable Indian laws in Toll + Annuity project of MTRCL. Repayments and interest were to be made from escrow account out of deposit of semi annual annuity and user fee (toll) on achievement of Completion / Commercial Operation Date (COD). Arbitration proceedings have been initiated by MTRCL under Arbitration and Conciliation Act, 1996 vide notice dated March 20, 2023 against the Authority and Lenders Representative / Escrow Agent for differences and disputes that have arisen due to breach of escrow agreement dated March 22, 2012. The Arbitration case has been registered with Indian Council of Arbitration and MTRCL has raised claims of Rs. 35,429 Lakhs. Lenders Representative has preferred proceedings under IBC, 2016 which has been contested by MTRCL as non maintainable, inter-alia, on account of pending arbitration for adjudication of disputes. Based on estimates like future business plan, arbitration proceedings and other factors, the management is confident that the realizable amount is higher than the carrying value of the investment and, therefore, the investment in the above subsidiary is good and recoverable.
- h. Note 9 regarding the recognition of deferred tax assets (net) on conservative basis as at June 30, 2024 amounting to Rs.Nil (June 30, 2023 Rs.Nil) 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, recovery of pending claims, TEV study and 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.
- i. Note 10 regarding the claims in respect of cost over-runs 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 by the Company



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. Realisation of the above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.

Our conclusion is not modified in respect of the above matters.

For S A R C & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



Kamal Aggarwal

Partner

Membership No.: 090129

UDIN No.: 24090129BKENG6800



Place: New Delhi

Dated: August 13, 2024

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(Rs. in Lakhs except earnings per share data)

| Particulars | Quarter Ended | | | Year Ended |
|--|----------------|------------------------------------|---------------|----------------|
| | 30.06.2024 | 31.03.2024 | 30.06.2023 | 31.03.2024 |
| | (Unaudited) | (Audited) (Refer Note No.15) | (Unaudited) | (Audited) |
| 1 Income | | | | |
| a. Revenue from Operation | 3,375 | 2,404 | 4,475 | 12,241 |
| b. Other Income (refer note no. 11a) | 3,411 | 2,881 | 3,523 | 13,105 |
| Total Income | 6,786 | 5,285 | 7,998 | 25,346 |
| 2 Expenses | | | | |
| a. Cost of Materials Consumed | 171 | 224 | 475 | 978 |
| b. Direct Labour, Sub-Contracts etc | 40 | 30 | 700 | 822 |
| c. Employee Benefits Expense | 269 | 303 | 318 | 1,205 |
| d. Finance Costs | 651 | 658 | 753 | 2,826 |
| e. Depreciation and Amortisation Expense | 1,622 | 1,445 | 1,908 | 6,308 |
| f. Other Expenses (refer note no. 11b) | 5,479 | 3,763 | 4,610 | 17,150 |
| Total Expenses | 8,232 | 6,423 | 8,764 | 29,289 |
| 3 Profit / (Loss) before Exceptional Item and tax (1- 2) | (1,446) | (1,138) | (766) | (3,943) |
| 4 Exceptional Items (refer note no. 9) | 23,828 | - | - | - |
| 5 Profit/(Loss) before Tax (3+4) | 22,382 | (1,138) | (766) | (3,943) |
| 6 Tax Expense | | | | |
| a. Current Tax | - | - | - | - |
| b. Deferred Tax | - | (9) | - | (10) |
| c. Income Tax for Earlier Years | - | - | - | - |
| Total Tax Expenses | - | (9) | - | (10) |
| 7 Profit / (Loss) for the period (5-6) | 22,382 | (1,129) | (766) | (3,933) |
| 8 Other Comprehensive Income | | | | |
| a. Items that will not be reclassified to profit & Loss | - | 9 | - | 10 |
| b. Income Tax relating to items that will not be reclassified to profit & Loss | - | - | - | - |
| Total Other Comprehensive Income for the period (8) | - | 9 | - | 10 |
| 9 Total Comprehensive Income for the period (7+8) | 22,382 | (1,120) | (766) | (3,923) |
| 10 Paid up Equity Share Capital (Face value of 10 each) | 10,975 | 10,475 | 10,475 | 10,475 |
| 11 Other Equity | - | - | - | 64,202 |
| 12 Earnings per Equity (EPS) (in Rs.) | | | | |
| a. EPS before Exceptional Items (Basic and Diluted) (In Rs.) | (1.38) | (1.08) | (0.73) | (3.75) |
| b. EPS after Exceptional Items (Basic and Diluted) (In Rs.) | 21.32 | (1.08) | (0.73) | (3.75) |



Notes

- 1 MBL Infrastructure Ltd (the Holding Company) and its subsidiaries are together referred to as 'the Group' in the following notes. These unaudited consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Companies (Indian Accounting Standards) Rules, 2015 as amended. The consolidated financial results of the Group have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Holding Company in their meeting held on August 13, 2024. The same have also been subjected to Limited Review by the Statutory Auditors.
- 2 Resolution Plan of the Holding Company dated November 22, 2017 submitted by Mr. A K Lakhota with 78.50% CoC majority support was approved under IBC, 2016 and Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble National Company Law Tribunal ("NCLT"), Kolkata, Orders dated August 16, 2019 and May 23, 2023 by Hon'ble National Company Law Appellate Tribunal ("NCLAT") and Orders dated January 18, 2022, August 04, 2023 and September 25, 2023 by Hon'ble Supreme Court were passed and the Resolution Plan has attained finality. 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 Resolution Plan. Accordingly, no provision for interest amounting to Rs 581 lakhs has been made for the quarter ended June 30, 2024. The period from April 18, 2018 till August 04, 2023 is formally excluded from the calculation period of implementation of Resolution Plan and all dates mentioned in the Resolution Plan are consequentially extended for implementation of Resolution Plan.
- 3 The Resolution Plan approved under IBC is binding on all creditors including Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016. Claims not filed/ not admitted/ claims which do not form part of the approved Resolution Plan stand extinguished. The payments of admitted claims are subject to reconciliation and rights and remedies available to the Group and are not acknowledged as debt.
- 4 As per legal advice received, in case of claim not filed by financial creditor against Corporate Guarantee(s) provided by the Holding Company in respect of subsidiary company(ies), the same stand extinguished. Without prejudice to the above, as per the Resolution Plan dated November 22, 2017 of the Company approved under IBC, 2016 read with Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble NCLT, Kolkata, Order dated August 16, 2019 and May 23, 2023 passed by Hon'ble NCLAT and Order dated January 18, 2022, August 04, 2023 and September 25, 2023 passed by Hon'ble Supreme Court, the treatment of Corporate Guarantees is as "Any amount arising out of invocation of existing Corporate Guarantees/Contingent Liabilities other than the current sub-judice matters will be paid after the payment of all the dues of Financial Creditors as per resolution plan, without any interest and penalties subject to the rights and remedies available to the Company" and "All amounts will be paid after proper reconciliation and without prejudice to the legal remedies available to the Company".
- 5 Pursuant to the provisions of Ind AS 12 "Income Taxes", the Group has conservatively recognised deferred tax assets (net) as at June 30, 2024 amounting to Rs Nil (June 30, 2023 Rs Nil) 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, recovery of pending claims, TEV study and 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 Group.
- 6 There was a participation in concession agreement dated December 07, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in Toll + Annuity project of MBL (MP) Toll Road Company Limited (MTRCL). Repayments and interest were to be made from escrow account out of deposit of semi annual annuity and user fee (toll) on achievement of Completion / Commercial Operation Date (COD). Arbitration proceedings have been initiated by MTRCL under Arbitration & Conciliation Act, 1996 vide notice dated March 20, 2023 against the Authority and Lenders Representative / Escrow Agent for differences and disputes that have arisen due to breach of escrow agreement dated March 22, 2012. The Arbitration case has been registered with Indian Council of Arbitration and MTRCL has raised claims of Rs. 35,429 Lakhs. Lenders Representative has preferred proceedings under IBC, 2016 which has been contested by MTRCL as non maintainable, inter-alia, on account of pending arbitration for adjudication of disputes.
- 7 There has been delay in Completion / Commercial Operation Date (COD) in respect of the DBFOT Project of the wholly owned subsidiary Company, Suratgarh Bikaner Toll Road Company Private Limited (SBTRCPL) and SBTRCPL has applied to the Authority for extension of time in terms of the Concession Agreement. The repayment of the Project Loan is linked to Completion / COD. The Lenders have given undertaking not to recover till Completion. Difference and Disputes have arisen and SBTRCPL has invoked Arbitration in terms of the Dispute Mechanism under the Escrow Agreement dated April 10, 2013 on account of material defaults / breaches on their part in fulfilling their obligations as per provisions of the Concession Agreement, Substitution Agreement and Escrow Agreement and filed claims of Rs. 1,04,552 lakhs. SBTRCPL started its tolling operations on February 17, 2019 for 156.635 km which increased to 166.415 km from April 01, 2021 and further to 170.26 km from October 01, 2023. The sanction rate of interest was 12.50% p.a. with reset clause on Completion / COD. Pending dispute resolution, provision for finance cost has been made @ 7.60% p.a. w.e.f. April 01, 2020 (rate as per the proposed Resolution Plan as on that date). In case the dispute is decided against SBTRCPL, there may be additional provision of interest of Rs 8,201 lakhs as on June 30, 2024 (Rs 6,693 lakhs as on June 30, 2023). In case the Dispute is resolved / settlement is arrived at with the Project Lenders, the provision of interest may be reversed, the amount of which is not ascertained as on date. Further, the classification of the term loan to long term / current maturity, provision for claims, carriage ways of intangible assets etc. may under go change. Two of the consortium lenders of SBTRCPL have filed application u/s 7 of the IBC, 2016 which has been contested by the SBTRCPL. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement and Common Loan Agreement and are not maintainable. Two of the Consortium Lenders of SBTRCPL have filed petitions u/s 19(4) of the Recovery of Debt and Bankruptcy Act, 1993 against SBTRCPL and the Holding Company, which have been contested by SBTRCPL and the Holding Company. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement, Common Loan Agreement and the Approved Resolution Plan of the Holding Company and are not maintainable.
- 8 There was a participation in concession agreement dated September 09, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in DBFOT project of MBL Highway Development Company Limited (MHDCL). Repayments and interest were to be made from escrow account out of deposit of user fee (toll) on achievement of Commercial Operation Date (COD). However the concession agreement was terminated by Authority on November 18, 2016. Legal proceedings are pending at various forums for adjudication of disputes including dispute resolution proceedings in India and summary judgement and certificate of enforcement from a foreign country and its execution petition in India by such participant. MHDCL has received legal advice that the same is not enforceable. MHDCL has counter claims against the participant exceeding the amount of the claims. However, provision has been made for claims including foreign exchange fluctuation as per 'conservative principles of accounting' but the same is not acknowledged as debt payable by MHDCL. MHDCL has invoked arbitration against the Authority and Lenders Representative / Escrow Agent on account of material defaults/breach on their part in fulfilling their obligations as per provisions of Substitution Agreement and filed claims before Arbitral Tribunal constituted by Indian Council of Arbitration under the Substitution Agreement.



9 Concession Agreements of wholly owned subsidiary compan(ies) namely MBL (MP) Road Nirman Company Limited, AAP Infrastructure Limited and MBL Highway Development Company Limited (the Concessionaires) were terminated by the Authorities. The group had accounted for Rs 4,582 lakhs in MBL (MP) Road Nirman Company Limited, Rs 3,704 lakhs in AAP Infrastructure Limited and Rs 15,542 lakhs in MBL Highway Development Company Limited aggregating Rs 23,828 Lakhs as loss due to Termination of Concession Agreements as 'Exceptional Item' in the FY 2017-18. The pleadings under the arbitration proceedings have been substantially completed. Based on legal advice the management is confident of recovering the loss written off. Accordingly, the said loss of Rs 23,828 lakhs has been reversed and shown as 'Exceptional Items' during the period.

10 The Group 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 by the Company 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 Group is reasonably certain of their realisation. Realisation of above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.

11 a. Other income comprises:

| Particulars | Quarter Ended | | | (Rs. In Lakhs) |
|--|---------------|----------------|---------------|--------------------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2023 | Year Ended |
| | (Unaudited) | (Audited) | (Unaudited) | March 31, 2024 (Audited) |
| a. Ind-AS Adjustment | 3,378 | 2,787 | 3,440 | 12,794 |
| b. Interest on fixed deposits & others | 21 | 54 | 16 | 248 |
| c. Others | 12 | 40 | 67 | 63 |
| Total | 3,411 | 2,881 | 3,523 | 13,105 |

b. Other expenses comprises:

| Particulars | Quarter Ended | | | (Rs. In Lakhs) |
|-------------------------------|---------------|----------------|---------------|--------------------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2023 | Year Ended |
| | (Unaudited) | (Audited) | (Unaudited) | March 31, 2024 (Audited) |
| a. Ind-AS Adjustment | 4,465 | 2,971 | 3,270 | 13,186 |
| b. Miscellaneous Expenses etc | 1,014 | 792 | 1,340 | 3,964 |
| Total | 5,479 | 3,763 | 4,610 | 17,150 |

12 The Group is engaged in Infrastructure Construction/Project activities which are 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.

13 The Group operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating Segments.

14 The Group reports consolidated financial results on quarterly basis as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The standalone financial results are available on Company's website viz www.mblinfra.com and on website of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone financial results of the Holding Company for the quarter and year ended March 31, 2024 are given below:

| Particulars | Quarter ended | | | (Rs. in Lakhs) |
|---|---------------|----------------|---------------|--------------------------|
| | June 30, 2024 | March 31, 2024 | June 30, 2023 | Year Ended |
| | (Unaudited) | (Audited) | (Unaudited) | March 31, 2024 (Audited) |
| Revenue | 5,505 | 4,036 | 5,352 | 18,415 |
| Profit/ (Loss) Before Exceptional Items & Tax | 193 | 229 | 122 | 663 |
| Profit/ (Loss) Before Tax | 193 | 229 | 122 | 663 |
| Profit/ (Loss) for the Period | 193 | 229 | 122 | 663 |

15 The figure for the quarter ended March 31, 2024 is balancing figures between the audited figures in respect of the full financial year upto March 31, 2024 and the unaudited published year to date figure upto the third quarter ended December 31, 2023 being the date of the end of third quarter of the financial year which were subjected to limited review.

16 Figures for the previous period/quarter have been reworked/regrouped/recasted, wherever considered necessary.

17 All figures are in lakhs except earnings per share. Figures in () denote negative/decrease.

Date: August 13, 2024

Place: New Delhi



For MBL Infrastructure Ltd.

Anjaney Kumar Lakhota
Chairman & Managing Director
DIN 00357695

SV/24-25/012

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

Review Report to
The Board of Directors
MBL Infrastructure Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MBL Infrastructure Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2024 ("the Statement"), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereafter (the "Listing Regulations").
2. The Holding Company's management is responsible for the preparation of the statement in accordance with 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") as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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 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 ("ICAI"). 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 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 Standards on Auditing 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.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India (SEBI), under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, to the extent applicable.

4. This Statement includes the financial results of below mentioned entities:
 - AAP Infrastructures Limited.
 - MBL Highway Development Company Limited.



- MBL (MP) Toll Road Company Limited.
 - MBL Projects Limited.
 - Suratgarh Bikaner Toll Road Company Private Limited.
 - MBL (MP) Road Nirman Company Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph below, 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 the applicable Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Act, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matters

We draw attention to the following matters in the notes to the accompanying Consolidated Financial Statement:

- a. Note 2 regarding the approval of Resolution Plan of the Holding Company dated November 22, 2017 submitted by Mr. A K Lakhotia with 78.50% CoC majority support was approved under IBC, 2016 and Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble National Company Law Tribunal ("NCLT"), Kolkata, Orders dated August 16, 2019 and May 23, 2023 by Hon'ble National Company Law Appellate Tribunal ("NCLAT") and Orders dated January 18, 2022, August 04, 2023 and September 25, 2023 by Hon'ble Supreme Court were passed and the Resolution Plan has attained finality. 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 Resolution Plan. Accordingly, no provision for interest amounting to Rs.581 lakhs has been made for the quarter ended June 30, 2024. The period from April 18, 2018 till August 04, 2023 is formally excluded from the calculation period of implementation of Resolution Plan and all dates mentioned in the Resolution Plan are consequentially extended for implementation of Resolution Plan.
- b. Note 3 regarding the Resolution Plan approved under IBC which is binding on all creditors including the Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016. Claims not filed/ not admitted/ claims which do not form part of the approved Resolution Plan stand extinguished. The payments of admitted claims are subject to reconciliation and rights and remedies available to the Group and are not acknowledged as debt.
- c. Note 4 regarding the legal advice received, in case of claim not filed by creditor against Corporate Guarantee(s) provided by the Holding Company in respect of subsidiary company(ies), the same stand extinguished. Without prejudice to the above, as per the Resolution Plan dated November 22, 2017 of the Company approved under IBC, 2016 read with Orders dated April 18, 2018, March 11, 2022 and September 13, 2023 by Hon'ble NCLT, Kolkata, Order dated August 16, 2019 and May 23, 2023 passed by Hon'ble NCLAT and Order dated January 18, 2022, August 04, 2023 and September 25, 2023 passed by Hon'ble Supreme Court, the treatment of Corporate Guarantees is "Any



amount arising out of invocation of existing Corporate Guarantees/Contingent Liabilities other than the current sub-judice matters will be paid after the payment of all the dues of Financial Creditors as per resolution plan, without any interest and penalties subject to the rights and remedies available to the Company" and "All amounts will be paid after proper reconciliation and without prejudice to the legal remedies available to the Company."

- d. Note 5 regarding the recognition of deferred tax assets (net) on conservative basis as at June 30, 2024 amounting to Rs.Nil (June 30, 2023 Rs.Nil) 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, recovery of pending claims, TEV study and 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 Group.
- e. Note 6 regarding the wholly owned subsidiary company MBL (MP) Toll Road Company Limited. (MTRCL) which participated in concession agreement dated December 07, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in Toll + Annuity project of MBL (MP) Toll Road Company Limited. Repayments and interest were to be made from escrow account out of deposit of semi annual annuity and user fee (toll) on achievement of Completion / Commercial Operation Date (COD). Arbitration proceedings have been initiated by MTRCL under Arbitration & Conciliation Act, 1996 vide notice dated March 20, 2023 against the Authority and Lenders Representative / Escrow Agent for differences and disputes that have arisen due to breach of escrow agreement dated March 22, 2012. The Arbitration case has been registered with Indian Council of Arbitration and MTRCL has raised claims of Rs. 35,429 Lakhs. Lenders Representative has preferred proceedings under IBC, 2016 which has been contested by MTRCL as non-maintainable, inter-alia, on account of pending arbitration for adjudication of disputes.
- f. Note 7 regarding the wholly owned subsidiary company, Suratgarh Bikaner Toll Road Company Private Limited. (SBTRCPL), there has been delay in Completion / Commercial Operation Date (COD) in respect of the DBFOT Project of the wholly owned subsidiary Company, Suratgarh Bikaner Toll Road Company Private Limited (SBTRCPL) and SBTRCPL has applied to the Authority for extension of time in terms of the Concession Agreement. The repayment of the Project Loan is linked to Completion / COD. The Lenders have given undertaking not to recover till Completion. Difference and Disputes have arisen and SBTRCPL has invoked Arbitration in terms of the Dispute Mechanism under the Escrow Agreement dated April 10, 2013 on account of material defaults / breaches on their part in fulfilling their obligations as per provisions of the Concession Agreement, Substitution Agreement and Escrow Agreement and filed claims of Rs. 1,04,552 lakhs. SBTRCPL started its tolling operations on February 17, 2019 for 156.635 km which increased to 166.415 km from April 01, 2021 and further to 170.26 km from October 01, 2023. The sanction rate of interest was 12.50% p.a. with reset clause on Completion / COD. Pending dispute resolution, provision for finance cost has been made @ 7.60% p.a. w.e.f. April 01, 2020 (rate as per the proposed Resolution Plan as on that date). In case the dispute is decided against SBTRCPL, there may be additional provision of interest of Rs.8,201 lakhs as on June 30, 2024 (Rs.6,693 lakhs as on June 30, 2023). In case the Dispute is resolved/settlement is arrived at with the Project Lenders, the provision of interest may be reversed, the amount of which is not ascertained as on date. Further, the classification of the term loan to long term / current maturity, provision for claims, carriage ways of intangible assets etc. may undergo change. Two of the consortium lenders



of SBTRCPL have filed application u/s 7 of the IBC, 2016 which has been contested by the SBTRCPL. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement and Common Loan Agreement and are not maintainable. Two of the Consortium Lenders of SBTRCPL have filed petitions u/s 19(4) of the Recovery of Debt and Bankruptcy Act, 1993 against SBTRCPL and the Holding Company, which have been contested by SBTRCPL and the Holding Company. In the opinion of the management the said applications are filed in the contravention and derogation of the Escrow Agreement, Substitution Agreement, Common Loan Agreement and the Approved Resolution Plan of the Holding Company and are not maintainable.

- g. Note 8 regarding the wholly owned subsidiary company MBL Highway Development Company Limited (MHDCL), which participated in concession agreement dated September 09, 2011 by way of project centric ECB facility as per prudential norms of financing infrastructure projects in India as per RBI guidelines and other applicable Indian laws in DBFOT project of MBL Highway Development Company Limited (MHDCL). Repayments and interest were to be made from escrow account out of deposit of user fee (toll) on achievement of Commercial Operation Date (COD). However the concession agreement was terminated by Authority on November 18, 2016. Legal proceedings are pending at various forums for adjudication of disputes including dispute resolution proceedings in India and summary judgement and certificate of enforcement from a foreign country and its execution petition in India by such participant. MHDCL has received legal advice that the same is not enforceable. MHDCL has counter claims against the participant exceeding the amount of the claims. However, provision has been made for claims including foreign exchange fluctuation as per 'conservative principles of accounting' but the same is not acknowledged as debt payable by MHDCL. MHDCL has invoked arbitration against the Authority and Lenders Representative / Escrow Agent on account of material defaults/breach on their part in fulfilling their obligations as per provisions of Substitution Agreement and filed claims before Arbitral Tribunal constituted by Indian Council of Arbitration under the Substitution Agreement.
- h. Note 9 regarding the wholly owned subsidiary companies, Concession Agreements of wholly owned subsidiary compan(ies) namely MBL (MP) Road Nirman Company Limited, AAP Infrastructure Limited and MBL Highway Development Company Limited (the Concessionaires) were terminated by the Authorities. The group had accounted for Rs. 4,582 lakhs in MBL (MP) Road Nirman Company Limited, Rs.3,704 lakhs in AAP Infrastructure Limited and Rs.15,542 in MBL Highway Development Company Limited aggregating Rs.23,828 Lakhs as loss due to Termination of Concession Agreements as 'Exceptional Item' in the FY 2017-18. The pleadings under the arbitration proceedings have been substantially completed. Based on legal advice the management is confident of recovering the loss written off. Accordingly, the said loss of Rs.23,828 lakhs has been reversed and shown as 'Exceptional Items' during the period.
- i. Note 10 regarding the claims of the Group 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 by the Company 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 Group is reasonably certain of their realisation. Realisation of above claims may be lower than the claims recognized if the



Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.

Our conclusion is not modified in respect of the above matters.

Independent Auditors of one of the subsidiary companies Suratgarh Bikaner Toll Road Company Private Limited in his report on financial results for the quarter ended June 30, 2024, have drawn emphasis of matter paragraphs and incorporated by us as under:

- a) Reliance have been placed on Resolution Plan submitted by the Company to the bankers which is prepared based on TEV study conducted by external agency and accordingly in the opinion of the management, there is no impairment of assets as on June 30, 2024, and there is no doubt on Company's ability to continue as a going concern. Further necessary accounting adjustments have been made including booking of interest expenses on the borrowings based at the rate of 7.60% p.a. as proposed in the resolution plan.
- b) The loans /credit facilities provided by lenders have been classified as Non-Performing Assets (NPA) by all lenders as on date. However, in Ind-AS Financial Results the same is shown both under Short term and Long term borrowings on the basis of repayment plan envisaged in original Sanction letter.

Our conclusion is not modified in respect of above matters.

7. We did not review the interim financial results of 6 subsidiaries included in the unaudited consolidated financial results, whose interim financial results (before eliminating intra-group transactions) reflects total revenue of Rs.1,667 lakhs, total profit after tax (net) of Rs.22,188 lakhs and total comprehensive income (net) of Rs.22,188 lakhs for the quarter June 30, 2024, as considered in the unaudited consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above.

For S A R C & Associates

Chartered Accountants

ICAI Firm Registration No.006085N


Kamal Aggarwal

Partner

Membership No.: 090129

UDIN No.: 24090129BKENGG3309



Place: New Delhi

Dated: August 13, 2024