

McNally Bharat Engineering Company Limited

CIN: L45202WB1961PLC025181

Corporate Office: Ecospace Campus 2B 11F/12

New Town Rajarhat North 24 Parganas Kolkata-700160

Telephone +91 3344591111

Email: mbe.corp@mbecl.co.in Website: www.mcnallybharat.com

Registered Office: 4 Mangoe Lane Kolkata-700001

An ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 Certified Company

February 11, 2025

The National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot # C/1, 'G' Block

Bandra Kurla Complex, Bandra (East)

Mumbai – 400 051

BSE Limited

Corporate Relations Department

1st Floor, New Trading Ring, Rotunda Building

Phiroze Jeejeebhoy Towers, Dalal Street, Fort

Mumbai – 400 001

Dear Sir/Madam,

Subject: Integrated Filing (Financials) for the quarter and nine months ended December 31, 2024

Ref: Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CFD-PoD2/CIR/P/2024/185 dated 31st December, 2024

Scrip Code/Symbol: 532629 / MBECL

Dear Sir/ Madam,

We write to inform you that with reference to the captioned subject, and in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31st December, 2024, we enclose herewith the Integrated Filing (Financial) Report for the quarter and nine months ended 31st December, 2024 in the prescribed format.

You are requested to take the above information on record.

This letter is being uploaded on the Company's website at www.mcnallybharat.com.

Yours faithfully

For **McNally Bharat Engineering Company Limited**

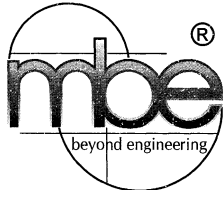
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Indrani Ray

Company Secretary

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Encl: As above



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- A. **Financial Results** – Enclosed as ‘**Annexure-A**’, as submitted with the Stock Exchanges on 11th February, 2025.
- B. **Statement of Deviation or Variation for Proceeds of Public Issue, Rights Issue, Preferential Issue, Qualified Institutional Placement etc.** – Not Applicable for this quarter.
- C. **Format for disclosing outstanding default on loans and debt securities** - Enclosed as ‘**Annexure-B**’, as submitted with the Stock Exchanges on 7th January, 2025.
- D. **Format for disclosure of Related Party Transactions (applicable only for half-yearly filings i.e., 2nd and 4th quarter)** - Not Applicable for this quarter.
- E. **Statement on impact of audit qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone and Consolidated separately) (applicable only for annual filing i.e., 4th quarter)** – Not Applicable for this quarter.

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Annexure - A

V. SINGHI & ASSOCIATES

Chartered Accountants

Four Mangoe Lane

Surendra Mohan Ghosh Sarani,

Ground Floor, Kolkata – 700 001

Phone : +91 33 2210 1125/26

E-mail : kolkata@vsinghi.com

Website : www.vsinghi.in

Independent Auditor’s Review Report on the Unaudited Standalone Financial Results for the quarter and nine months ending 31st December, 2024 of McNally Bharat Engineering Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report,
The Board of Directors of,
McNally Bharat Engineering Company Limited**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MCNALLY BHARAT ENGINEERING COMPANY LIMITED** (“the Company”) for the quarter and nine months ended 31st December, 2024 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19th July, 2019 (“the Circular”).
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, is prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. 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. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Basis for Adverse Conclusion

a) Current Assets, Current Liabilities and Capital Work – in – Progress

- i. We draw attention to **Note 11** to the statement regarding Trade Receivables, Advance to Suppliers, Trade Payables, Other Financial Assets, and Advance from Customers being subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements of claims and adjustments arising therefrom, if any. Recoverability/ Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- ii. Further, Claims Recoverable (BG Encashed) amounting to Rs. 36,183.70 Lakhs, including Rs. 11,677.57 Lakhs under arbitration whose fair value is Rs. 19,149.57 Lakhs are doubtful. Recoverability/ Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- iii. There is no movement in Capital Work-in-Progress amounting to Rs.462.62 Lakhs, since 31st March, 2016. In the absence of any audit evidence, we are unable to ascertain the impact/adjustments required and comment on the same.

b) Non-adjustment of the Carrying Value of the Loan

In earlier years, the Company had given unsecured loans to Vedica Sanjeevani Projects Private Limited (“VSPL”). VSPL vide their letter dated 15th February, 2022 informed the Company that it was unable to service the debt and requested the Company for a moratorium on the repayment of the loan, including interest for two years i.e., Financial Year 2021-22 and Financial Year 2022-23. Subsequently, the Company had stopped recognizing interest income on the same. In absence of any further communication between the Company and VSPL, we are unable to comment on the realizability of the loan, its interest, and consequential adjustments to be made in the books.

This constitutes a material departure from the requirements of Indian Accounting Standard – 109 “Financial Instrument”.

c) Recognition of Deferred Tax Assets

Note 10 to the Statement that the Company had recognized deferred tax assets of Rs. 51,706.60 lakhs up to 31st March, 2018 which is being carried forward in books by the Company expecting adequate future taxable profits after infusion of fresh funds in the Company by the successful resolution applicant against which the deferred tax assets could be adjusted. The Company has been continually incurring losses and its net worth has been fully eroded. We are unable to obtain sufficient appropriate

evidence with respect to the management's assertions and are therefore, unable to comment on the carrying value of the aforesaid net deferred tax assets on 31st December, 2024.

This constitutes a material departure from the requirements of Indian Accounting Standard 12 "Income Taxes".

5. Based on our review conducted and procedures performed as stated in Paragraph 3, we report that because of the significance of the matters stated in Paragraph 4, and their consequential impact on the unaudited standalone financial results for the period ending 31st December 2024, which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India.

6. **Emphasis of Matters**

We draw attention to the following matters in the notes to the Statement:

a) Extension of the Effective Date for Implementing the Resolution Plan

Note 1 to 5 to the Statement informs that the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench admitted the Corporate Insolvency Resolution Process (CIRP) against the Company and appointed Mr. Ravi Sethia (IBBI/IPA-001/IP-P01305/2018-2019/12052) as the Resolution Professional (RP). The RP received Resolution Plans from 4 applicants. Out of the 4, the Resolution Plan of one of the applicants received approval from the Committee of Creditors by the requisite majority and thereafter the RP submitted the application before the Hon'ble NCLT on 3rd August 2023 for its final approval.

On the 19th December 2023, Hon'ble NCLT pronounced its order in favor of one of the successful Resolution Applicants i.e. BTL EPC Limited. Pursuant to the approval of the Plan by the Hon'ble NCLT, the Implementation and Monitoring Committee ("IMC") was duly constituted on 19th December 2023 as per the terms of the plan to oversee the implementation of the approved Resolution Plan. However, the Resolution Plan submitted by BTL EPC Limited has not been implemented till the effective date mentioned in the order.

Subsequently, the Committee of Creditors of the company filed an application with the Hon'ble NCLT to seek appropriate directions and recourse with respect to the approved resolution plan and CIRP of the Company. The Hon'ble NCLT heard the matter and, on 3rd December 2024 pronounced an order extending the effective date for implementing the Resolution Plan from 17th February 2024 to 6th January 2025.

b) Material Uncertainty Related to Going Concern

Note 4 to the Statement states that the Company has incurred a net loss of Rs. 71,711.77 lakhs (before comprehensive income) during the nine months ended 31st December, 2024, and is unable to meet its financial commitments/covenants to lenders and various other stakeholders. The effective date for implementing the Resolution Plan has been extended from 17th February 2024 to 6th January 2025 and the ability of the Company to continue as a going concern is dependent on the successful implementation of the resolution plan as approved by the Hon'ble National Company Law Tribunal.

c) Non-Assessment of Pending Litigations

Note 6 to the Statement states that the Company has been receiving regulatory Enquiries/ Notices/ Summons/ Show-Cause/ Demand/ Orders from various Government authorities such as Goods and Services Tax and Income Tax. In view of the Company's admission under CIRP all existing civil and legal proceedings will be kept in abeyance as moratorium is in force under section 14 of the Insolvency and Bankruptcy Code, 2016.

On 19th December 2023, Hon'ble NCLT pronounced its order in favor of BTL EPC Limited, lifting the moratorium effective from the date of the order. However, the management believes that the notices and orders pertain to the moratorium period and, therefore, will be reassessed after the conclusion of the CIRP. Thus, no impact has been considered in the Statement as of now.

d) Recognition of Interest Expense

As referred in **Note 9** of the Statement, during the period, the Company has recognized the interest expense for the nine months ending 31st December, 2024 on Bank Borrowings, Inter Corporate Deposits and claim of EIG (Mauritius) Limited under the head 'Finance Costs' amounting to Rs. 62,858.16 Lakhs as estimated by the management.

Our conclusion has not been modified with respect to these matters.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.:311017E

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Date: 11th February 2025

(Aniruddha Sengupta)
Partner
Membership No. 051371
UDIN: 25051371BMUIZK4046

McNALLY BHARAT ENGINEERING COMPANY LIMITED

CIN: L45202WB1961PLC025181

Regd. Office: 4 MANGOE LANE, Kolkata 700 001

Web: www.mcnallybharat.com, Email id: mbecal@mbec.co.in, Phone no: (033) 3014-1111

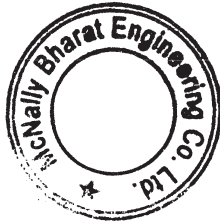
Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31st December, 2024

(Rs. in Lakhs, unless otherwise stated)

Particulars	Three months ended			Nine Month Ended		Year ended
	31st December, 2024	30th September, 2024	31st December, 2023	31st December, 2024	31st December, 2023	31st March, 2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations						
(a) Net sales/ Income from operations	2,154.35	2,691.90	3,998.56	7,465.04	12,708.29	16,744.31
(b) Other operating income	-	-	0.23	-	16.73	16.97
Total income from operations	2,154.35	2,691.90	3,998.79	7,465.04	12,725.02	16,761.28
Other income	712.84	797.57	1,037.79	6,478.55	3,270.94	4,739.36
Total income (1+2)	2,867.19	3,489.47	5,036.58	13,943.59	15,995.96	21,500.64
Expenses						
(a) Cost of materials consumed	345.22	327.16	1,864.51	875.23	6,292.47	7,552.03
(b) Outsourcing expenses to job workers	1,932.04	1,853.16	2,444.53	5,337.16	5,729.81	7,521.21
(c) Employee benefits expense	612.18	632.40	628.03	1,890.64	2,342.02	2,962.03
(d) Finance costs	22,967.73	22,081.57	19,832.93	71,497.97	62,870.57	83,377.18
(e) Depreciation and amortization expense	79.53	79.99	79.43	224.85	244.38	320.90
(f) Other expenses	4,584.71	541.96	447.85	5,829.49	1,666.05	8,093.57
Total expenses	30,521.41	25,516.24	25,297.28	85,655.34	79,145.30	1,09,826.92
Profit/(Loss) before tax and Exceptional Item (3-4)	(27,654.22)	(22,026.77)	(20,260.70)	(71,711.75)	(63,149.34)	(88,326.28)
Exceptional Items	-	-	-	-	-	-
Profit Before Tax	(27,654.22)	(22,026.77)	(20,260.70)	(71,711.75)	(63,149.34)	(88,326.28)
Tax expenses:						
Deferred tax	-	-	-	-	-	-
Profit/(Loss) for the period/year (6-7)	(27,654.22)	(22,026.77)	(20,260.70)	(71,711.75)	(63,149.34)	(88,326.28)
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurements of post-employment benefit plans (net of taxes)	19.35	19.36	14.03	58.06	(1.86)	77.41
Total other comprehensive income/(loss) (net of income tax)	19.35	19.36	14.03	58.06	(1.86)	77.41
Total comprehensive income/ (loss) for the period/year (8+9)	(27,634.87)	(22,007.41)	(20,246.67)	(71,653.69)	(63,151.20)	(88,248.87)
Paid up equity share capital (Face value of the share Rs.10 each)	21,157.08	21,157.08	21,157.08	21,157.08	21,157.08	21,157.08
Reserves excluding revaluation reserve	-	-	-	-	-	(4,41,961.27)
Earnings per share (of Rs. 10/- each) (not annualised):						
Basic	(13.07)	(10.41)	(9.58)	(33.89)	(29.85)	(41.75)
Diluted	(13.07)	(10.41)	(9.58)	(33.89)	(29.85)	(41.75)

Refer accompanying notes to the financial results.

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Partha Sarathi Bhattacharyya
Director
DIN 00329479

Kolkata
11th February, 2025

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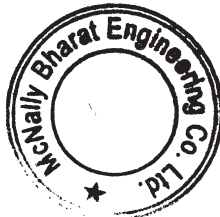
McNally Bharat Engineering Company Limited

Notes to the statement of Unaudited Standalone Financial Results for the quarter and nine months ended 31st December ,2024

1. Pursuant to the application under section 7 of Insolvency and Bankruptcy Act, 2016 filed by one of the Financial Creditors, being C.P (IB) No. 891/KB/2020, the National Company Law Tribunal (NCLT), Kolkata Bench, while disposing off, admitted the application vide order dated 29.04.2022 and directed to initiate Corporate Insolvency Resolution Process (CIRP) against the Company. CA Anuj Jain (IBBI/IPA-001/IP-P00142/2017-18/10306) was appointed as the Interim Resolution Professional (IRP). Thereafter, Mr Ravi Sethia (IBBI/IPA-001/IP-P 01305/2018-2019/12052) has been appointed as Resolution Professional (RP) vide NCLT order dt.26.08.22. Upon commencement of CIRP, the powers of the Board of Directors of the Company stand suspended and management of the Company vest with the IRP/Resolution Professional (RP).
2. Committee of creditors (COC) was constituted on 18.05.2022 on the basis of collation of all claims by the IRP and the report was submitted to NCLT by IRP. The COC was further reconstituted from time to time by the IRP/RP (last such reconstitution on 29.12.2022) and intimation filed with the Hon'ble NCLT, Kolkata Bench.
3. The Resolution Plan of one of the Resolution Applicants received the approval of COC by the requisite majority, in terms of the Insolvency and Bankruptcy Code, 2016 and COC authorised the RP to issue the Letter of Intent in terms of the request for Resolution Plan and thereafter submit the application before the Hon'ble NCLT Court for final approval of the Resolution Plan. The application was submitted before the Hon'ble NCLT Court on 3rd August, 2023.
4. The Hon'ble National Company Law Tribunal, Kolkata Bench-Court-(NCLT) approved the Resolution plan of one of the successful resolution applicants, namely M/s BTL EPC LTD vide its order dated 19.12.2023 and Monitoring Committee was formed in accordance with the NCLT order. Since, the resolution plan submitted by BTL EPC Limited was not implemented till 17.02.2024, the COC of the Company filed an application with the Hon'ble NCLT to seek appropriate directions and recourse with respect to the approved resolution plan. On 3rd December 2024 Hon'ble NCLT passed the subsequent order and extended the effective date for the implementation of Resolution Plan within 21 days from uploading the Order by Hon'ble National Company Law Tribunal on 17th December 2024 i.e. by 6th January 2025.
5. On January 6, 2025, the Company reconstituted its Board in accordance with the NCLT order, marking the cessation of office for the previous directors. The newly constituted Board appointed directors and formed committees as required by the Companies Act.
6. The above Standalone Financial Results have been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI circular dated July 05, 2016. In this regard the following points may also be noted :

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(a) There shall be a moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 till the approval of the Resolution plan which has been duly approved by the Hon'ble NCLT via order dated December 19, 2023. The Resolution plan is yet to be implemented.

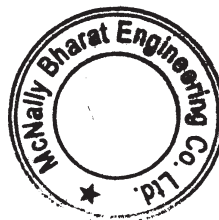
(b) The Company had received regulatory Enquiries/Notices/Summons/Show-Cause/Demand/Orders from various government authorities such as Goods and Services Tax, Income Tax. In view of Company's admission under CIRP all existing civil legal proceedings will be kept in abeyance as moratorium u/s 14 of the Insolvency and Bankruptcy Code, 2016 is applicable on them till the effective date of the NCLT order. Therefore, no impact has been considered in these results as of now.

7. The above results have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. The Company is primarily engaged in the business of Construction and Engineering activities hence no Separate disclosure has been made for segment reporting as per IND AS 108-Operating Segments.
9. i) The Company has been categorised as Non-Performing Asset by the lender banks and the majority of the Lender Banks stopped debiting interest on their outstanding debts. After the Company was admitted in NCLT, the Lender Banks submitted their claims to the IRP/RP amounting to Rs 3,62,003.83 lakhs (including interest) out of which claims amounting to Rs. 3,61,778.21 lakhs have been admitted. The Company has provisionally accounted for interest from the date of categorisation as Non-Performing Asset by lender banks till 31.12.2024 amounting to Rs. 2,90,498.28 lakhs out of which interest amounting to Rs. 19,235.77 Lakhs has been recognised during the quarter ended 31st December 2024 under the head 'Finance Cost'.

ii) Financial Creditors other than lender banks have also submitted their claims to RP amounting to Rs.2,03,216.42 Lakhs out of which Rs.1,14,120.40 lakhs have been admitted by RP. The Company has provisionally accounted for interest till 31.12.2024 amounting to Rs. 29,864.29 lakhs (out of which interest amounting to Rs. 2,171.44 lakhs has been recognised during the quarter ended 31st December, 2024) under the head 'Finance Cost'.

iii) Apart from above, claim of M/s EIG (Mauritius) Ltd. against the Company was admitted by RP as per arbitration award to the tune of Rs. 7,773.61 lakhs which has been recognised in the books as 'Exceptional Item' and consequent interest of Rs. 2,922.52 lakhs thereon till 31.12.2024 (out of which interest amounting to Rs. 320.21 Lakhs has been recognised during the quarter ended 31st December, 2024) has also been provided under "Finance Cost". The operational creditors have also submitted claims to the IRP/RP amounting to Rs. 53,320.16 lakhs out of which RP has admitted claims of Rs.18,401.82 lakhs.
10. The Company had recognised Deferred Tax Assets amounting to Rs 51,706.60 Lakhs up to 31st March, 2018. The Company believes that based on the infusion of fresh funds coming to the Company with the Investors support there will be adequate future taxable profits available to the Company against which the Deferred Tax Assets can be utilized. However, the Company has not recognised further Deferred Tax Assets thereafter on a prudent basis.


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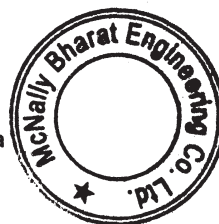


11. Trade Receivables, Other Financial Assets, Other Current Assets, Trade Payable, and Advance from customers are subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements of claims and adjustments arising therefrom, if any. Further, the reconciliation activity by the management is under process and the effects of the reconciliation activity shall be accounted for once the reconciliation process is complete.
12. The Unaudited Standalone Financial Results for the quarter and nine months ended December 31, 2024 have been reviewed by the Audit Committee and recommended with qualification as pointed out by the Statutory Auditor for adoption to the Board of Directors. The Board with qualification as pointed out by the statutory auditors has considered and approved the same at its meeting held on February 11, 2025.
13. Project business is subject to quarterly variations and one quarter's performance in isolation does not necessarily indicate full year's performance.
14. Previous period figures have been reclassified/ regrouped / rearranged, wherever found to be necessary to make them comparable with the current period/ year figures.

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Partha Sarathi Bhattacharyya
Director
DIN 00329479



Place: Kolkata

Dated: 11th February 2025

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Independent Auditor’s Review Report on the Unaudited Consolidated Financial Results for the quarter and nine months ending 31st December, 2024 of McNally Bharat Engineering Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report,
The Board of Directors of,
McNally Bharat Engineering Company Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MCNALLY BHARAT ENGINEERING COMPANY LIMITED** (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) for the quarter and nine months ended 31st December, 2024 (“the Statement”), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19th July, 2019 (“the Circular”).
2. This Statement, which is the responsibility of the group’s management and approved by the Holding Company’s Board of Directors, is prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) “Interim Financial Reporting” prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. 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. We have not performed an audit and accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. Basis for Adverse Conclusion

a) Current Assets, Current Liabilities and Capital Work – in – Progress

- i. We draw attention to **Note 11** to the statement regarding Trade Receivables, Advance to Suppliers, Trade Payables, Other Financial Assets and Advance from Customer being subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements of claims and adjustments arising therefrom, if any. Recoverability/ Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- ii. Further, Claims Recoverable (BG Encashed) amounting to Rs. 36,183.70 Lakhs, including Rs. 11,677.57 Lakhs under arbitration whose fair value is Rs. 19,149.57 Lakhs are doubtful. Recoverability/ Adjustments/ Impacts with respect to these are currently not ascertainable and as such cannot be commented upon by us.
- iii. There is no material movement in Capital Work-in-Progress amounting to Rs.462.62 Lakhs, since 31st March, 2016. In absence of any audit evidence, we are unable to ascertain the impact/adjustments required and comment on the same.

b) Non-adjustment of the Carrying Value of the Loan

In earlier years, the Holding Company had given an unsecured loan to Vedica Sanjeevani Projects Private Limited (“VSPL”). VSPL vide their letter dated 15th February, 2022 informed the Holding Company that it was unable to service the debt and requested the Holding Company for a moratorium on the repayment of the loan, including interest for two years i.e., Financial Year 2021-22 and Financial Year 2022-23. Subsequently, the Holding Company had stopped recognizing interest income on the same. In the absence of any further communication between the Holding Company and VSPL, we are unable to comment on the realizability of the loan and its interest and consequential adjustment to be made in the books.

This constitutes a material departure from the requirements of Indian Accounting Standard – 109 “Financial Instrument”.

c) Recognition of Deferred Tax Assets

Note 10 to the Statement that the Holding Company had recognized deferred tax assets of Rs. 51,706.60 lakhs up to 31st March, 2018 which is being carried forward in books by the Holding Company expecting adequate future taxable profits after the infusion of fresh funds in the Holding Company by the successful resolution applicant against which the deferred tax assets could be adjusted. The Holding Company has been continually incurring losses and its net worth has been fully eroded. We are

unable to obtain sufficient appropriate evidence with respect to the management's assertions and are therefore, unable to comment on the carrying value of the aforesaid net deferred tax assets on 31st December, 2024.

This constitutes a material departure from the requirements of Indian Accounting Standard 12 "Income Taxes"

5. Based on our review conducted and procedures performed as stated in Paragraph 3, we report that because of the significance of the matters stated in Paragraph 4, and their consequential impact on the unaudited consolidated financial results for the period ending 31st December 2024, which are expected to be material, we have come to the conclusion that the Statement read with notes thereon have not been prepared fairly in all material respect in accordance with aforesaid Indian Accounting Standards and other recognized accounting practices and policies generally accepted in India.

6. **Emphasis of Matters**

We draw attention to the following matters in the notes to the Statement:

a) Extension of the Effective Date for Implementing the Resolution Plan

Note 1 to 5 to the Statement informs that the Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench admitted the Corporate Insolvency Resolution Process (CIRP) against the Holding Company and appointed Mr. Ravi Sethia (IBBI/IPA-001/IP-P01305/2018-2019/12052) as the Resolution Professional (RP). The RP received Resolution Plans from 4 applicants. Out of the 4, the Resolution Plan of one of the applicants received approval from the Committee of Creditors by the requisite majority and thereafter the RP submitted the application before the Hon'ble NCLT on 3rd August 2023 for its final approval.

On the 19th December 2023, Hon'ble NCLT pronounced its order in favor of one of the successful Resolution Applicants i.e. BTL EPC Limited. Pursuant to the approval of the Plan by the Hon'ble NCLT, the Implementation and Monitoring Committee ("IMC") was duly constituted on 19th December 2023 as per the terms of the plan to oversee the implementation of the approved Resolution Plan. However, the Resolution Plan submitted by BTL EPC Limited has not been implemented till the effective date mentioned in the order.

Subsequently, the Committee of Creditors of the Holding company filed an application with the Hon'ble NCLT to seek appropriate directions and recourse with respect to the approved resolution plan and CIRP of the Holding company. The Hon'ble NCLT heard the matter and, on 3rd December 2024 pronounced an order extending the effective date for implementing the Resolution Plan from 17th February 2024 to 6th January 2025.

b) Material Uncertainty Related to Going Concern

Note 4 to the Statement states that the group has incurred a net loss of Rs. 71,713.24 lakhs (before comprehensive income) during the nine months ended 31st December, 2024, and

is unable to meet its financial commitments/covenants to lenders and various other stakeholders. The effective date for implementing the Resolution Plan has been extended from 17th February 2024 to 6th January 2025. The ability of the group to continue as a going concern is dependent on the successful implementation of the resolution plan as approved by the Hon'ble National Company Law Tribunal.

c) Non-Assessment of Pending Litigations

Note 6 to the Statement states that the Holding Company has been receiving regulatory Enquiries/ Notices/ Summons/ Show-Cause/ Demand/ Orders from various Government authorities such as Goods and Services Tax and Income Tax. In view of the Holding Company's admission under CIRP all existing civil and legal proceedings will be kept in abeyance as moratorium is in force under section 14 of the Insolvency and Bankruptcy Code, 2016.

On 19th December 2023, Hon'ble NCLT pronounced its order in favor of BTL EPC Limited, lifting the moratorium effective from the date of the order. However, the management believes that the notices and orders pertain to the moratorium period and, therefore, will be reassessed after the conclusion of the CIRP. Thus, no impact has been considered in the Statement as of now.

d) Recognition of Interest Expense

As referred to in **Note 9** of the Statement, during the period, the Holding Company has recognized the interest expense for the nine months ending 31st December, 2024 on Bank Borrowings, Inter Corporate Deposits and claim of EIG (Mauritius) Limited under the head 'Finance Costs' amounting to Rs. 62,858.16 Lakhs as estimated by the management.

e) Others

The Statement includes the results of the following subsidiaries;

Wholly Owned Subsidiary Companies of the Holding Company

- McNally Bharat Equipments Limited
- MBE Mineral Technologies Pte Limited
- MBE Minerals Zambia Limited

The Statement does not include the results of the following Joint Ventures;

Joint Ventures of the Holding Company

- EMC MBE Contracting Company LLC
- McNally – Trolex
- McNally – AML
- McNally – Trolex – Kilburn

Our conclusion has not been modified in respect of these matters.

7. Other Matters

The Statement includes the unaudited financial information of one Indian subsidiary and two overseas subsidiaries which reflects the Group's share of total profit/(loss) of Rs. (1.48) Lakhs and total income Nil for the nine months ended 31st December, 2024. The unaudited financial information has been furnished to us by the management and our opinion on the Statement so far as it relates to the amounts and disclosures included in respect of these entities is based solely on such unaudited interim financial information. In our opinion and according to the information and explanations given to us this interim financial information is not material to the Group.

Our conclusion is not modified in respect of above matter.

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Registration No.:311017E

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Place: Kolkata
Date: 11th February 2025

(Aniruddha Sengupta)
Partner
Membership No. 051371
UDIN: 25051371BMUIZL6494

McNALLY BHARAT ENGINEERING COMPANY LIMITED

CIN: L45202WB1961PLC025181

Regd. Office: 4 MANGOE LANE, Kolkata 700 001

Website: www.mcnallybharat.com, Email id: mbecal@mbecl.co.in, Phone no: (033) 6628-1213

Statement of Consolidated Unaudited Financial Results for the quarter and nine months ended 31st December, 2024

(Amount in lakhs, unless otherwise stated)

SN	Particulars	Three months ended			Nine months ended		Year ended
		31st December 2024	30th September 2024	31st December 2023	31st December 2024	31st December 2023	31st March 2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Revenue from operations	2,154.35	2,691.90	3,995.53	7,464.01	12,775.94	16,811.26
2	Other income	712.97	797.33	1,038.09	6,478.22	3,271.41	4,739.84
3	Total income (1+2)	2,867.32	3,489.23	5,033.62	13,942.23	16,047.35	21,551.10
4	Expenses						
	(a) Cost of materials consumed	345.22	327.20	1,864.51	875.27	6,292.47	7,552.24
	(b) Outsourcing expenses to job workers	1,932.04	1,853.16	2,444.56	5,337.16	5,760.88	7,552.31
	(c) Employee benefits expense	612.18	632.40	628.03	1,890.64	2,342.02	2,962.03
	(d) Finance costs	22,967.73	22,081.57	19,832.94	71,497.97	62,870.57	83,377.18
	(e) Depreciation and amortisation expense	79.53	79.99	79.43	224.85	244.38	320.90
	(f) Other expenses	4,584.72	541.98	453.29	5,829.58	1,676.68	8,103.74
	Total expenses	30,521.42	25,516.30	25,302.76	85,655.47	79,187.00	1,09,868.40
5	Profit / (Loss) before tax (3-4)	(27,654.10)	(22,027.07)	(20,269.14)	(71,713.24)	(63,139.65)	(88,317.30)
6	Tax expenses:						
	(a) Current tax	-	-	-	-	-	2.33
7	Profit / (Loss) for the period/year (5-6)	(27,654.10)	(22,027.07)	(20,269.14)	(71,713.24)	(63,139.65)	(88,319.63)
8	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss :						
	Remeasurements of Post-employment Defined Benefit Obligations	19.35	19.36	14.02	58.06	(1.86)	77.41
	(b) Items that will be reclassified to profit or loss :						
	Exchange Difference on translation of foreign operations	3.71	5.35	65.09	15.76	(4.78)	(13.25)
	Total other comprehensive income (net of income tax)	23.06	24.71	79.11	73.82	(6.64)	64.16
9	Total comprehensive income for the period/year (7+8)	(27,631.04)	(22,002.36)	(20,190.03)	(71,639.42)	(63,146.29)	(88,255.47)
10	Profit/(Loss) attributable to:						
	Owners of the Holding Company	(27,654.10)	(22,027.07)	(20,269.09)	(71,713.23)	(63,139.71)	(88,319.67)
	Non-Controlling interest	0.00	(0.00)	(0.05)	(0.01)	0.06	0.04
	Total	(27,654.10)	(22,027.07)	(20,269.14)	(71,713.24)	(63,139.65)	(88,319.63)
11	Other Comprehensive income is attributable to :						
	Owners of the Holding Company	23.06	24.71	79.11	73.82	(6.64)	64.16
	Non-Controlling interest	-	-	-	-	-	-
	Total	23.06	24.71	79.11	73.82	(6.64)	64.16
12	Total Comprehensive income is attributable to :						
	Owners of the Holding Company	(27,631.04)	(22,002.36)	(20,189.98)	(71,639.41)	(63,146.35)	(88,255.51)
	Non-Controlling interest	0.00	(0.00)	(0.05)	(0.01)	0.06	0.04
	Total	(27,631.04)	(22,002.36)	(20,190.03)	(71,639.42)	(63,146.29)	(88,255.47)
13	Paid up equity share capital (Face value of the share Rs.10 each)	21,157.08	21,157.08	21,157.08	21,157.08	21,157.08	21,157.08
14	Reserve excluding revaluation reserve	-	-	-	-	-	(4,41,891.17)
15	Earnings Per Share (of Rs. 10/- each) (not annualised):						
	Basic (Rs.)	(13.06)	(10.39)	(9.54)	(33.86)	(29.85)	(41.74)
	Diluted (Rs.)	(13.06)	(10.39)	(9.54)	(33.86)	(29.85)	(41.74)

Also refer accompanying notes to the financial results.

Place: Kolkata
Date: 11th February 2025



Partha Sarathi Bhattacharyya
Partha Sarathi Bhattacharyya
Director
DIN 00329479

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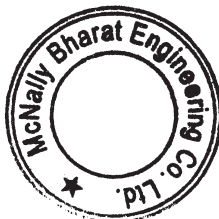
McNally Bharat Engineering Company Limited

Notes to the statement of Unaudited Consolidated Financial Results for the quarter and nine months ended 31st December ,2024

1. Pursuant to the application under section 7 of Insolvency and Bankruptcy Act, 2016 filed by one of the Financial Creditors, being C.P (IB) No. 891/KB/2020, the National Company Law Tribunal (NCLT), Kolkata Bench, while disposing off, admitted the application vide order dated 29.04.2022 and directed to initiate Corporate Insolvency Resolution Process (CIRP) against the Holding Company. CA Anuj Jain (IBBI/IPA-001/1IP-P00142/2017-18/10306) was appointed as the Interim Resolution Professional (IRP). Thereafter, Mr Ravi Sethia (IBBI/IPA- 001/IP-P 01305/2018-2019/12052) has been appointed a Resolution Professional (RP) vide NCLT order dt.26.08.22. Upon commencement of CIRP, the powers of the Board of Directors of the Holding Company stand suspended and management of the Holding Company vest with the IRP/Resolution Professional (RP).
2. Committee of creditors (COC) of the Holding Company was constituted on 18.05.2022 on the basis of collation of all claims by the IRP and report was submitted to NCLT by IRP. The COC was further reconstituted from time to time by the IRP/RP (last such reconstitution on 29.12.2022) and intimation filed with the Hon'ble NCLT, Kolkata Bench.
3. The Resolution Plan of one of the Resolution Applicants received the approval of COC by requisite majority, in term of the Insolvency and Bankruptcy Code, 2016 and COC authorised the RP to issue the Letter of Intent in term of the request for Resolution Plan and thereafter submit the application before the Hon'ble NCLT Court for final approval of the Resolution Plan. The application was submitted before the Hon'ble NCLT Court on 3 August, 2023.
4. The Hon'ble National Company Law Tribunal, Kolkata Bench-Court-(NCLT) approved the Resolution plan of one of the successful resolution applicants, namely M/s BTL EPC LTD vide its order dated 19.12.2023 and Monitoring Committee was formed in accordance with the NCLT order. Since the resolution plan submitted by BTL EPC Limited was not implemented till 17.02.2024, the COC of the Holding Company filed an application with the Hon'ble NCLT to seek appropriate directions and recourse with respect to the approved resolution plan. On 3rd December 2024 Hon'ble NCLT passed the subsequent order and extended the effective date for the implementation of Resolution Plan within 21 days from uploading the Order by Hon'ble National Company Law Tribunal on 17th December 2024 i.e. by 6th January 2025.
5. On January 6, 2025, the Holding Company reconstituted its Board in accordance with the NCLT order, marking the cessation of office for the previous directors. The newly constituted Board appointed directors and formed committees as required by the Companies Act.
6. The above Consolidated Financial Results have been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with the SEBI circular dated July 05, 2016. In this regard the following points may also be noted :

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(a) There shall be a moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 till the approval of the Resolution plan which has been duly approved by the Hon'ble NCLT via order dated December 19, 2023. The Resolution plan is yet to be implemented.

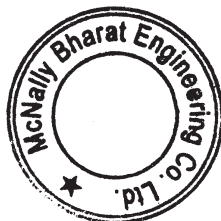
(b) The Holding Company had received regulatory Enquiries/Notices/Summons/Show-Cause/Demand/Orders from various government authorities such as Goods and Services Tax, Income Tax. In view of Holding Company's admission under CIRP all existing civil legal proceedings will be kept in abeyance as moratorium u/s 14 of the Insolvency and Bankruptcy Code, 2016 is applicable on them till the effective date of the NCLT order. Therefore, no impact has been considered in these results as of now.

7. The above Results have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. The Holding Company is primarily engaged in the business of Construction and Engineering activities and subsidiary companies are also operating under similar line of business. Hence, no separate disclosure has been made for segment reporting as per IND AS 108-Operating Segments.
9. i) The Holding Company has been categorised as a Non-Performing Asset by the lender banks and the majority of the Lender Banks have stopped debiting interest on their outstanding debts. After the Holding Company was admitted in NCLT, the Lender Banks submitted their claims to the IRP/RP amounting to Rs 3,62,003.83 lakhs (including interest) out of which claims amounting to Rs. 3,61,778.21 lakhs have been admitted. The Holding Company has provisionally accounted for interest from date of categorisation as Non- Performing Asset by lender banks till 31st December, 2024 amounting to 2,90,498.28 lakhs (out of which interest amounting to Rs 19,235.77 Lakhs has been recognized during the quarter ended 31st December, 2024) under the head 'Finance Cost'.
- ii) Financial Creditors other than lender banks of the Holding Company have also submitted their claims to RP amounting to Rs.2,03,216.42 lakhs out of which Rs.1,14,120.40 lakhs have been admitted by RP. The Holding Company has provisionally accounted for interest till 31st December 2024 amounting to Rs. 29,864.29 lakhs (out of which interest amounting to Rs. 2,171.44 lakhs has been recognised during the quarter ended 31st December, 2024) under the head 'Finance Cost'.
- iii) Apart from above, claim of M/s EIG (Mauritius) Ltd against Holding Company was admitted by RP as per arbitration award to the tune of Rs. 7,773.61 lakhs which has been recognised in the books as 'Exceptional Item' and consequent interest of Rs. 2,992.52 lakhs thereon till 31.12.2024 (out of which interest amounting to Rs.320.21 Lakhs has been recognised during the quarter ended 31st December, 2024) has also been provided under "Finance Cost". The operational creditors of the Holding Company have also submitted claims to the IRP/RP amounting to Rs 53,320.16 lakhs, out of which RP has admitted claims of Rs.18,401.82 lakhs,
10. The Holding Company had recognised Deferred Tax Assets amounting to Rs. 51,706.60 Lakhs up to 31st March, 2018. The Holding Company believes that based on the infusion of fresh funds coming to the Holding Company with the Investors support there will be adequate future taxable profits available to the Company against which the Deferred Tax Assets can be utilised. However, the Holding Company has not recognised further Deferred Tax Assets thereafter on prudent basis.

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11. Trade Receivables, Trade Payables, Advances from customers, Other Financial Assets, and Other Current Assets are subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements of claims and adjustments arising therefrom, if any. Further, the reconciliation activity by the management of the Holding Company is under process and the effects of the reconciliation activity shall be accounted for once the reconciliation process is complete.

12. The Unaudited Consolidated Financial Results for the quarter and nine months ended December 31, 2024, have been reviewed by the Audit Committee and recommended with qualification as pointed out by the Statutory Auditor for adoption to the Board of Directors. The Board with qualification as pointed out by the statutory auditors has considered and approved the same at its meeting held on February 11, 2025.

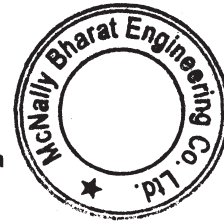
13. Project business is subject to quarterly variations and one quarter's performance in isolation does not necessarily indicate full year's performance.

14. Previous period figures have been reclassified/ regrouped / rearranged, wherever found to be necessary to make them comparable with the current period/ year figures.

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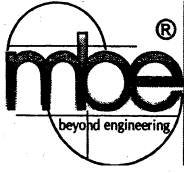

Partha Sarathi Bhattacharyya
Director
DIN 00329479



Place: Kolkata

Dated: 11th February 2025

Ramesh



McNally Bharat Engineering Company Limited

CIN: L45202WB1961PLC025181

Corporate Office: Ecospace Campus 2B 11F/12

New Town Rajarhat North 24 Parganas Kolkata-700160

Telephone +91 33 68311001/+91 33 68311212

Email: mbe.corp@mbecl.co.in Website: www.mcnallybharat.com

Registered Office: 4 Mangoe Lane Kolkata-700001

Annexure -B

Jan 07, 2025

Bombay Stock Exchange Limited

Floor 25, Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai – 400001

National Stock Exchange of India Ltd.

Exchange Plaza,

Plot no. C/1, G Block, Bandra - Kurla Complex,

Bandra (E), Mumbai - 400 051

Dear Madam/Sir,

Sub: Disclosure by listed entities for defaults on payment of interest / repayment of principal amount on loans from banks / financial institutions and unlisted debt securities.

Scrip Code/Symbol: 532629/MBECL

In terms of the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019 on the subject mentioned above, please find below disclosure regarding the default on loans, including revolving facilities like cash credit from banks / financial institutions which continues beyond 30 days in the prescribed format C2.

Sl.No	Particulars	Rs. in Cr (Unaudited)
1	Loans/Revolving Facilities like Cash Credit from Banks/ Financial Institutions	
A.	Total Amount outstanding as on 31.12.2024	2027.87
B.	Of the Total amount outstanding, amount of default as on 31.12.2024	2027.87
2	Unlisted debt securities i.e. NCD/NCRPS	
A.	Total Amount outstanding, as on 31.12.2024	54.51
B.	Of the Total amount outstanding, amount of default as on 31.12.2024	54.51
3	Total Financial indebtedness of the listed entities including short term and long term debt as on 31.12.2024	2082.38

Note: The above amount excludes interest provision of Rs. 2082.38 Crores has been recognized till Dec'2024 on loan/NCRPS

The above disclosure regarding the default on loans, including revolving facilities like cash credit from banks/financial institutions is subject to the resolution plan approved by Hon'ble National Company Lay Tribunal, Kolkata branch (NCLT) vide its order dt. 03.12.2024.

The above is for your information and record.

Thanking you,

Yours faithfully,

For McNally Bharat Engineering Company Limited

Rupak Chandra
AGM Finance

