

## McNally Bharat Engineering Company Limited

CIN : L45202WB1961PLC025181  
Corporate Office : Ecospace Campus 2B 11F/12  
New Town Rajarhat North 24 Parganas Kolkata 700 160  
T +91 33 30141111  
E mbe.corp@mbecl.co.in W www.mcnallybharat.com  
Registered Office : 4 Mangoe Lane Kolkata-700 001

November 13, 2021

**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

**Scrip Code: 532629**

**Symbol: MBECL**

Dear Madam/Sir,

**Sub: Outcome of the Meeting of the Board of Directors of the Company held on November 13, 2021**

Pursuant to Regulation 30 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please be informed that the Board of Directors, at its meeting held today i.e. November 13, 2021, have, inter-alia, approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2021.

In compliance with provisions of Regulation 33 and other applicable provisions of the Listing Regulations, please find enclosed herewith, the aforesaid Financial Results, along with the Limited Review Reports of the Statutory Auditors, thereon.

Time of Commencement of Meeting: 12: 15 Hours

Time of Conclusion of Meeting: 15:50 Hours

This is for your information and records

Thanking you

Yours faithfully,  
For **McNally Bharat Engineering Company Limited**

**Brij Mohan Soni**  
Chief Financial Officer

**Encl : As above**

**V. SINGHI & ASSOCIATES**  
**Chartered Accountants**

Phone: 2210 1124  
2210 1125  
E-mail: vsinghiandco@gmail.com  
Four Mangoe Lane  
Surendra Mohan Ghosh Sarani  
Kolkata - 700 001

**Independent Auditor's Report on Limited Review of the Unaudited Standalone Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2021 of McNally Bharat Engineering Company Limited pursuant to the Regulation 33 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to**  
**The Board of Directors**  
**McNally Bharat Engineering Company Limited**  
**Four Mangoe Lane, Surendra Mohan Ghosh Sarani**  
**Kolkata - 700001**

1. We have reviewed the accompanying Statement of Standalone unaudited Financial Results of **MCNALLY BHARAT ENGINEERING COMPANY LIMITED** ("the Company") for the quarter and half year ended 30<sup>th</sup> September, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19<sup>th</sup> July, 2019 ("the Circular").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, 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 from material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



#### **4. Basis for Adverse Conclusion**

The Company has not recognized interest expense on Bank Borrowings amounting to Rs. 16,087.36 Lakhs for the half year ended 30<sup>th</sup> September, 2021 (Rs. 8,124.38 Lakhs for the quarter ended 30<sup>th</sup> September, 2021 and Rs. 15,750.84 Lakhs for the half year ended 30<sup>th</sup> September, 2020) and Rs.126.80 Lakhs for the half year ended 30<sup>th</sup> September, 2021 (Rs. 63.40 Lakhs for the quarter ended 30<sup>th</sup> September, 2021 and Rs. 127.20 Lakhs for the half year ended 30<sup>th</sup> September, 2020) on Inter-Corporate Borrowings as referred in Note 4 to the Statement. As a result, finance costs and total comprehensive loss for the quarter and half year ended 30<sup>th</sup> September, 2021 are understated to that extent.

This constitutes a material departure from the requirements of Indian Accounting Standard 109 "Financial Instruments".

5. Based on our review as stated in Paragraph 3 above, and for reasons stated in Paragraph 4 above, the Statement of Standalone Unaudited Financial Results has not been prepared in accordance with the applicable Indian Accounting Standards and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or whether it contains any material misstatement.

#### **6. Emphasis of Matters**

##### **a) Material uncertainty related to Going Concern**

The Company has reported net loss of Rs. 1,463.21 Lakhs during the quarter and half year ended 30<sup>th</sup> September, 2021. We draw attention to Note 5 to the Statement that the company is unable to meet its financial commitments/covenants to lenders and various other stakeholders. As informed to us by the Management the Company is currently in discussion with the lenders for carrying out a debt restructuring proposal. These events and conditions indicate a material uncertainty as to the Company's ability to continue as a going concern as it is solely dependent on the lenders' acceptance of the company's debt restructuring proposal. Based on the Board of Directors' expectation of a positive outcome of the restructuring proposal, this Statement has been prepared on a going concern basis.

##### **b) Management's assessment of impact of COVID-19**

We draw attention to Note 6 to the Statement describing the management's assessment of impact of COVID-19, a global pandemic, on the financial position of the Company.



c) We draw attention to Note No 8 of the Statement with respect to Trade Receivables, Other Financial Assets and Other Current Assets being subject to confirmation and reconciliation receivable from respective parties and consequential adjustments if any required. The management, however, does not expect any material variation and is also hopeful of recovery/realization of these assets in the normal course of business.

**d) Recognition of Deferred Tax Assets**

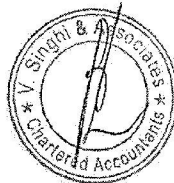
We draw attention to Note 7 to the Statement that the Company had recognized deferred tax assets of Rs. 51,706.60 Lakhs up to 31<sup>st</sup> March, 2018 expecting adequate future taxable profits to the Company against which the deferred tax assets could be realized, which however is solely dependent on the acceptance of the debt restructuring proposal. The Company has not recognized any deferred tax assets thereafter on prudent basis.

**e) Non-adjustment of the Carrying Value of the Investments**

We draw attention to Note 9 of the Statement regarding the Subsidiary Company, McNally Sayaji Engineering Limited's lender, ICICI Bank's Invocation per its letter dated 27<sup>th</sup> November 2020 of 23,37,211 Equity Shares of the said Subsidiary Company for Re. 1 only pledged by the Company, for Term Loan facility availed by the Subsidiary Company. The Subsidiary Company has objected to such invocation by the bank vide its letter dated 15<sup>th</sup> December, 2020 and as such the Company has not made any adjustment to the carrying value of its investment in the Subsidiary Company.

Our conclusion on the Statement is not modified in respect of these matters.

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



**(V.K. SINGHI)**  
**Partner**

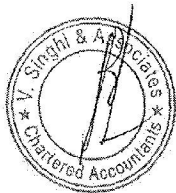
**Membership No. 050051**  
**UDIN: 21050051 AAAATK6526**

**Place: Kolkata**  
**Date: 13<sup>th</sup> November, 2021**

McNally Bharat Engineering Company Limited  
Standalone Balance Sheet as at 30th September, 2021

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	As at 30th September, 2021	As at 31st March, 2021
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and Equipment	2,447.87	2,635.69
Right to use Assets	1,766.94	1,841.08
Capital work-in-progress	462.48	462.62
Other Intangible Assets	46.85	47.32
<b>Financial Assets</b>		
i. Investments	18,071.54	18,054.37
ii. Trade receivables	-	-
iii. Loans	-	-
iv. Other Financial Assets	12.84	2.12
Deferred tax assets	51,706.60	51,706.60
Other Non-current Assets	1.49	1.83
<b>Total Non-current Assets</b>	<b>74,516.61</b>	<b>74,751.63</b>
<b>Current Assets</b>		
Inventories	277.82	293.00
<b>Financial Assets</b>		
i. Trade Receivables	1,01,855.41	1,05,220.29
ii. Cash and cash equivalents	3,981.66	2,722.85
iii. Bank balances other than (ii) above	3.13	58.24
iv. Loans	1,391.80	1,391.80
v. Other financial assets	33,009.68	26,221.64
Current Tax Assets (net)	679.07	4,163.44
Other current assets	49,235.70	49,507.12
<b>Total Current Assets</b>	<b>1,90,434.27</b>	<b>1,89,578.38</b>
<b>Total Assets</b>	<b>2,64,950.88</b>	<b>2,64,330.01</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	21,157.08	21,157.08
Other equity	(15,911.51)	(13,776.18)
<b>Total Equity</b>	<b>5,245.57</b>	<b>7,380.90</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	14,116.47	13,444.26
ii. Other financial liabilities	2,297.65	2,270.27
Provisions	252.60	233.42
<b>Total Non-current Liabilities</b>	<b>16,666.72</b>	<b>15,947.95</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	2,02,190.43	2,00,629.27
ii. Trade payables		
Total outstanding dues of micro enterprises and small enterprises	202.16	195.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,309.57	22,387.35
iii. Other financial liabilities	12,524.89	12,507.98
Provisions	92.84	92.84
Other current liabilities	5,718.70	5,188.08
<b>Total Current Liabilities</b>	<b>2,43,038.59</b>	<b>2,41,001.16</b>
<b>Total Liabilities</b>	<b>2,59,705.31</b>	<b>2,56,949.11</b>
<b>Total Equity and Liabilities</b>	<b>2,64,950.88</b>	<b>2,64,330.01</b>



**SRINI VASH SINGH**  
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 CIN: 746002MH0000123  
 UIN: 27AABCS1234K  
 PAN: AABCS1234K  
 Date: 2021/10/10

**McNALLY BHARAT ENGINEERING COMPANY LIMITED**  
 CIN: 145202WB1961PLC025181  
 Regd. Office: 4 MANGO LANE, Kolkata 700 001  
 Web: www.mcnallybharat.com, Email Id: mbecal@mbecel.co.in, Phone no: (033) 3014-1111  
**Statement of Unaudited Standalone Financial Results for the quarter and half year ended 30 September, 2021**

Particulars	(Rs. In Lakhs, unless otherwise stated)					
	Three months ended			Six months ended		
	30 September 2021 (Unaudited)	30 June 2021 (Unaudited)	30 September 2020 (Unaudited)	30 September 2021 (Unaudited)	30 September 2020 (Unaudited)	31 March 2021 (Audited)
<b>1 Revenue from operations</b>						
(a) Net sales/ Income from operations	6,234.33	6,170.37	6,327.02	12,404.70	13,942.25	33,138.65
(b) Other operating income	80.94	15.81	31.70	97.75	37.46	139.68
<b>Total income from operations</b>	<b>6,315.27</b>	<b>6,187.18</b>	<b>6,358.72</b>	<b>12,502.45</b>	<b>13,979.71</b>	<b>33,278.33</b>
<b>2 Other Income</b>	<b>1,217.03</b>	<b>878.78</b>	<b>1,006.08</b>	<b>2,095.81</b>	<b>1,703.11</b>	<b>2,589.15</b>
<b>3 Total income (1+2)</b>	<b>7,532.30</b>	<b>7,065.96</b>	<b>7,364.80</b>	<b>14,598.26</b>	<b>15,682.82</b>	<b>35,867.48</b>
<b>4 Expenses</b>						
(a) Cost of materials consumed	1,528.26	1,656.16	1,662.62	3,184.42	5,432.05	13,608.72
(b) Outsourcing expenses to job workers	2,594.29	2,940.19	3,311.70	5,534.48	5,965.26	12,280.65
(c) Employee benefits expense	1,123.26	1,063.87	1,145.95	2,187.13	2,093.61	4,559.99
(d) Finance costs	1,153.58	911.88	1,450.09	2,065.46	3,153.20	4,227.62
(e) Depreciation and amortization expense	136.58	132.87	174.94	269.45	387.92	673.90
(f) Other expenses	1,025.19	1,804.22	1,172.93	2,829.41	3,908.96	5,520.17
<b>Total expenses</b>	<b>7,561.16</b>	<b>8,569.19</b>	<b>8,918.23</b>	<b>16,070.35</b>	<b>19,941.00</b>	<b>40,871.06</b>
<b>5 Profit/ (Loss) before tax (3-4)</b>	<b>(28.86)</b>	<b>(1,443.23)</b>	<b>(1,553.43)</b>	<b>(1,472.09)</b>	<b>(4,258.18)</b>	<b>(5,003.58)</b>
<b>6 Tax expenses:</b>						
Current Tax	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	-
<b>7 Profit/ (Loss) for the period/year (5-6)</b>	<b>(28.86)</b>	<b>(1,443.23)</b>	<b>(1,553.43)</b>	<b>(1,472.09)</b>	<b>(4,258.18)</b>	<b>(5,003.58)</b>
<b>8 Other comprehensive income</b>						
Items that will not be reclassified to profit or loss	4.44	4.44	2.24	8.88	4.47	17.75
<b>Total other comprehensive income (net of income tax)</b>	<b>4.44</b>	<b>4.44</b>	<b>2.24</b>	<b>8.88</b>	<b>4.47</b>	<b>17.75</b>
<b>9 Total comprehensive income for the period/year (7+8)</b>	<b>(24.42)</b>	<b>(1,438.79)</b>	<b>(1,551.19)</b>	<b>(1,463.21)</b>	<b>(4,253.71)</b>	<b>(4,985.83)</b>
<b>10 Paid up equity share capital ( Face value of the share Rs.10 each)</b>	<b>21,157.08</b>	<b>21,157.08</b>	<b>21,157.08</b>	<b>21,157.08</b>	<b>21,157.08</b>	<b>21,157.08</b>
<b>11 Reserves excluding revaluation reserve</b>						<b>(13,776.18)</b>
<b>12 Earnings per share (of Rs. 10/- each) (not annualised):</b>						
Basic	(0.01)	(0.68)	(0.73)	(0.69)	(2.01)	(2.36)
Diluted	(0.01)	(0.68)	(0.73)	(0.69)	(2.01)	(2.36)

Also refer accompanying notes to the financial results.

SRINIVAS  
H SINGH



McNally Bharat Engineering Company Limited

Standalone Statement of Cash flows for the half year ended 30<sup>th</sup> September , 2021

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Half Year ended 30th September, 2021	Half Year ended 30th September, 2020
<b>Cash flow from operating activities</b>		
Profit/(Loss) before income tax	(1,463.21)	(4,258.17)
<b>Adjustments for:</b>		
Depreciation	269.45	387.92
Finance Cost	2,065.46	3,153.20
Interest Income	1,608.98	(1,629.68)
Loss/ (Profit) on Disposal of Fixed Assets (Net)	-	(26.15)
Expected credit loss provided for/ (written back)	488.74	399.56
Provision for Future Foreseeable Losses in Construction Contracts	(221.77)	(17.89)
Unrealised (gain)/ loss on Foreign Currency Translation (Net)	2.60	52.08
Net (gain)/loss on financial assets measured at fair value through profit or loss	(17.17)	0.99
<b>Change in operating Assets and Liabilities:</b>		
(Increase)/Decrease in trade receivables	2,873.54	1,608.26
(Increase)/Decrease in inventories	15.18	5.35
Increase/ (Decrease) in trade payables	(71.26)	(201.80)
(Increase)/Decrease in other financial assets	(8,407.75)	1,009.06
(Increase)/decrease in other non-current assets	0.34	0.34
(Increase)/decrease in other current assets	271.43	(1,510.80)
Increase/ (decrease) in provisions	19.18	34.28
Increase/ (decrease) in other financial liabilities	266.05	(471.73)
Increase/ (decrease) in other liabilities	530.62	72.67
<b>Cash generated from operations</b>		
Income taxes (paid)/Refund	3,484	2,167
<b>Net cash inflow / (outflow) from operating activities</b>	<b>1,714.79</b>	<b>774.86</b>
<b>Cash flows from investing activities</b>		
Purchase of investments	-	-
Purchase of property, plant and equipment	(7.02)	(0.45)
Loans given during the year	-	-
Proceeds from sale of property, plant and equipment	-	30.53
Deposits matured/ (made) during the year	55.12	(6.41)
Interest received	-	176.69
<b>Net cash inflow / (outflow) from investing activities</b>	<b>48.10</b>	<b>200.36</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,561.37	-
Repayment of borrowings	-	(960.23)
Interest paid	(2,065.46)	(50.57)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(504.09)</b>	<b>(1,010.80)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,258.81</b>	<b>(35.57)</b>
Cash and cash equivalents at the beginning of the financial year	2,722.85	1,661.15
<b>Cash and cash equivalents at end of the year</b>	<b>3,981.66</b>	<b>1,625.58</b>

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard
2. Previous period figures have been regrouped/rearranged wherever necessary.



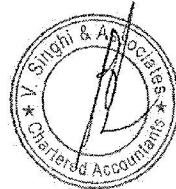
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Chartered Accountant  
Firm No. 123456789  
Date: 30/09/2021

**McNally Bharat Engineering Company Limited**

**Notes to the Statement of Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> September, 2021**

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13<sup>th</sup> November, 2021.
2. 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.
3. The Company is primarily engaged in the business of construction and hence no separate disclosure has been made for segment reporting as per Ind AS 108-Operating Segments.
4. The Company has been categorised as Non-Performing Asset by the lender banks and majority of the Lender Banks have stopped debiting interest on their outstanding debts. Accordingly, the Company has not recognised interest expense of Rs. 8187.78 Lakhs for quarter ended 30<sup>th</sup> September 2021 (Rs.8124.38 Lakhs and Rs.63.40 Lakhs interest expenses on Bank borrowings and Inter-Corporate borrowings respectively) Rs.7,919.51 Lakhs for the quarter ended 30<sup>th</sup> September, 2020 (Rs.7855.91 Lakhs and Rs.63.60 Lakhs interest expenses on Bank borrowings and Inter-Corporate borrowings respectively) Rs. 16,087.36 Lakhs on bank borrowings and Rs. 126.80 Lakhs on Inter-Corporate borrowings for the half year ended 30<sup>th</sup> September, 2021 ( Rs. 15750.84 Lakhs and Rs. 127.20 Lakhs interest expenses on Bank borrowings and Inter-Corporate borrowings respectively for the half year ended 30<sup>th</sup> September, 2020).
5. The Company's financial performance has been adversely affected due to downturn of the infrastructure and core sector, working capital constraints and external factors beyond the Company's control and the Company has not been able to meet its financial commitments /covenants to lenders and various other stakeholders. The Company has submitted its resolution proposal to the lenders for restructuring and the lenders have done the Techno Economic Viability (TEV) study of a Resolution plan submitted by company. The Lenders are actively considering the resolution plan and have appointed various agencies to evaluate the resolution plan. The Management is also evaluating various options and hopeful that with the support of the lenders and on approval of the Resolution Plan, the Company will be able to generate sufficient cash flows through profitable operations to discharge its financial obligations. Hence, the Board of Directors have decided to prepare the Standalone Unaudited Financial Results on a going concern basis.

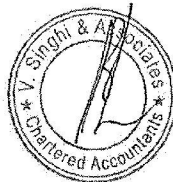


**SRINIV  
ASH  
SINGH**

Digitally signed by SRINIVASH SINGH, DN: cn=SRINIVASH SINGH, o=SRINIVASH SINGH, email=SRINIVASH.SINGH@SRINIVASHSINGH.COM, c=IN, serial=123456789, version=3



6. The World Health Organization (WHO) declared outbreak of COVID-19, a global pandemic and consequent to this, Government of India (GOI) as well as State Governments declared various restrictions and protocols for compliance as well as imposed lockdowns from time to time. The COVID-19 significantly impacted overall business operations globally, and the Company was not an exception, by way of interruption in the project activities, supply chain disruption, limited availability of human resource etc. Post lockdown with the phased resumption of operations in consideration of directives from the GOI as well as respective State Governments, the business of the Company gradually started regaining its normalcy in terms of volume as well as cash flow. However, the onset of second wave of COVID – 19 resulted in another disruption in business operation adversely affecting the performance. The Company has evaluated its liquidity position and recoverability and carrying value of its assets and has concluded that no material adjustments are required currently at this stage.
  
7. The Company had recognised Deferred Tax Assets amounting to Rs 51,706.60 Lakhs upto 31<sup>st</sup> March, 2018. The Company believes that based on the infusion of fresh funds coming to the Company with the lenders support on the debt restructuring proposal, there will be adequate future taxable profits available to the Company against which the Deferred Tax Assets can be utilised. However, the Company has not recognised further Deferred Tax Assets thereafter on prudent basis.
  
8. Trade Receivables, Other Financial Assets and Other Current Assets are subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements and adjustments arising therefrom, if any. The management, however, does not expect any material variation. Management is also hopeful for recovery/realisation of these assets in the normal course of business.
  
9. McNally Bharat Engineering Company Limited had pledged its investment to the extent of 23,37,211 Equity Shares as security against the term loan facilities granted to McNally Sayaji Engineering Ltd. ( A subsidiary of MBE ) from ICICI Bank Limited. During the quarter ended 31<sup>st</sup> December, 2020, ICICI Bank Limited has invoked pledge created over these shares for a transfer value of Re. 1 adjusted towards the over dues amount of the Company. The Company has objected the invocation of the said share pledge and undervalued transfer. Accordingly, the Company has not made any adjustment to the carrying value of the loan as on 30<sup>th</sup> September, 2021.



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

11. Figures for the previous quarters/periods have been regrouped/ rearranged wherever considered necessary.



**SRINIV  
ASH  
SINGH**  
Chartered Accountant  
Fellow of the Institute of Cost Accountants of India  
Fellow of the Institute of Taxation Practitioners  
Fellow of the Institute of Financial Management  
Fellow of the Institute of Bankers  
Fellow of the Institute of Actuaries  
Fellow of the Institute of Actuaries  
Fellow of the Institute of Actuaries  
Fellow of the Institute of Actuaries  
Fellow of the Institute of Actuaries  
Fellow of the Institute of Actuaries  
(SRINIVASH SINGH)  
MANAGING DIRECTOR  
DIN-00789624

**Date: 13<sup>th</sup> November, 2021**  
**Place: Kolkata**

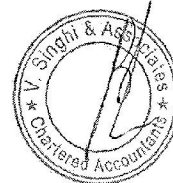
**V. SINGHI & ASSOCIATES**  
**Chartered Accountants**

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Kolkata - 700 001

**Independent Auditor's Report on Limited Review of the Unaudited Consolidated Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2021 of McNally Bharat Engineering Company Limited pursuant to the Regulation 33 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to**  
**The Board of Directors**  
**McNally Bharat Engineering Company Limited**  
**Four Mangoe Lane, Surendra Mohan Ghosh Sarani**  
**Kolkata - 700001**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **MCNALLY BHARAT ENGINEERING COMPANY LIMITED** ("the Holding Company"), its subsidiaries and joint ventures (the Holding Company, its subsidiaries and joint ventures together referred to as "the Group") for the quarter and half year ended 30th September, 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (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 Holding Company's Management and approved by the Holding Company's Board of Directors, 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 from 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. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



## 5. Basis for Adverse Conclusion

The Holding Company and one of its Subsidiary Company, McNally Sayaji Engineering Limited has not recognised interest expense on Bank borrowings and Inter corporate borrowings amounting to Rs. 17,730.22 Lakhs and Rs. 439.94 Lakhs respectively for the half year ended 30<sup>th</sup> September, 2021 (including Rs. 8,854.16 Lakhs and Rs.220.83 Lakhs interest expenses on Bank borrowings and Inter Corporate borrowings respectively for the quarter ended 30<sup>th</sup> September, 2020) as referred in Note 4 to the Statement. As a result, finance costs and total comprehensive profit for the quarter and half year ended 30<sup>th</sup> September, 2021 are overstated to that extent. Further Interest expense not recognized on bank borrowings and inter corporate borrowings for the year ended 31<sup>st</sup> March, 2021 was 35,615.61 Rs. Lakhs and Rs. 819.80 Lakhs respectively. This constitutes a material departure from the requirements of Indian Accounting Standard 109 "Financial Instruments".

6. Based on our review conducted as stated in Paragraph 3 above, and for reasons stated in Paragraph 4 above, the Statement of Unaudited Consolidated Financial Results has not been prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

## 7. Emphasis of Matters

### a) Material uncertainty related to Going Concern

The Group has reported net profit of Rs. 146.94 Lakhs during the quarter and half year ended 30<sup>th</sup> September, 2021. We draw attention to Note 5 to the Statement that the Holding Company and one of its Subsidiary Company, McNally Sayaji Engineering Limited is unable to meet its financial commitments/covenants to lenders and various other stakeholders. The Holding Company's management and the Subsidiary Company's management are currently in discussion with the lenders for carrying out a debt restructuring proposal as informed to us by the Management. These events and conditions indicate a material uncertainty which may cast a significant doubt on the Group's ability to continue as a going concern. The ability of the Group to continue as a going concern is solely dependent on the acceptance of the debt restructuring proposal of the Holding Company. Based on the Holding Company's and Subsidiary Company's Board of Directors' assessment of the successful outcome of the restructuring proposal, this Statement has been prepared on going concern basis.



**b) Management's assessment of impact of COVID-19**

We draw attention to Note 6 to the Statement which describes the management's assessment of impact of COVID-19, a global pandemic, on the financial position of the Group.

- c) We draw attention to Note No 8 of the Statement with respect to Trade Receivables, Other Financial Assets and Other Current Assets being subject to confirmation and reconciliation receivable from respective parties and consequential adjustments if any required. The management, however, does not expect any material variation and is also hopeful of recovery/realization of these assets in the normal course of business.

**d) Recognition of Deferred Tax Assets**

We draw attention to Note 7 to the Statement that the Group had recognised deferred tax assets of Rs. 57,940.49 Lakhs upto 31st March, 2019 expecting adequate future taxable profits to the Group against which the deferred tax assets can be realised, which is solely dependent on the acceptance of the debt restructuring proposal. However, the Group has not recognised further deferred tax assets thereafter on prudent basis.

**e) Non-adjustment of the Carrying Value of the Investments**

We draw attention to Note 9 of the Statement regarding the Subsidiary Company, McNally Sayaji Engineering Limited's lender, ICICI Bank's Invocation per its letter dated 27<sup>th</sup> November 2020 of 23,37,211 Equity Shares of the said Subsidiary Company for Re. 1 only pledged by the Company, for Term Loan facility availed by the Subsidiary Company. The Subsidiary Company has objected to such invocation by the bank vide its letter dated 15<sup>th</sup> December, 2020 and as such the Company has not made any adjustment to the carrying value of its investment in the Subsidiary Company.

Our conclusion on the Statement is not modified in respect of these matters.

**8. The Statement includes the results of the following entities:**

**Wholly Owned Subsidiary Companies of the Holding Company**

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

**Subsidiary Company of the Holding Company**

- McNally Sayaji Engineering Limited

**Step-down subsidiary of the Holding Company**

- MBE Mineral & Coal Technology India Private Limited (Wholly Owned Subsidiary of McNally Sayaji Engineering Limited)



**Joint Ventures of the Holding Company**

- EMC MBE Contracting Company LLC,
- McNally-Troxex
- McNally-AML
- McNally-Troxex-Kilburn

**9. Other Matters**

The Consolidated Financial Results include the Consolidated Financial Results of one Subsidiary whose Consolidated Financial Results reflect Group's share of total revenue of Rs. 7,705 Lakhs for the quarter and half year ended 30th September, 2021, and Group's share of total net profit of Rs. 23 Lakhs for the quarter and half year ended 30th September, 2021, as considered in the Consolidated Financial Results, which have been reviewed by us. Our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on our report and the audit procedures performed by us.

The Consolidated Financial Results include the unaudited Financial Information/Results of two foreign subsidiaries and one Indian subsidiary whose Interim Financial Information/results reflect, Group's share of total revenue of Rs. Nil for the quarter ended 30th September, 2021 and Group's share of total net loss of Rs. 0.07 Lakhs for the quarter and half year ended 30th September 2021, as considered in the Consolidated Financial Results. These unaudited Financial Information/Results have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Results, in 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/Results. In our opinion and according to the information and explanations given to us by the Board of Directors, these Interim Financial Information/results are not material to the Group.

We draw attention to Note 10 to the Statement that the results of the Joint Venture of the Holding Company i.e. EMC MBE Contracting Company LLC, McNally - Troxex, McNally - AML and McNally - Troxex whose carrying value in the Financial Results of the Holding Company is Rs. Nil (net of impairment) and has not been considered in the Consolidated Financial Results.

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

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



**Place:** Kolkata  
**Date:** 13<sup>th</sup> November, 2021

**(V.K.SINGHI)**  
Partner

Membership No. 050051  
UDIN: 21050051AAAAL6160

McNally Bharat Engineering Company Limited  
Consolidated Balance Sheet as at 30th September, 2021

(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	As at 30th September 2021	As at 31st March 2021
	Unaudited	Audited
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and Equipment	14,176.38	14,691.90
Right to use Assets	1,973.43	2,043.28
Capital work-in-progress	482.48	483.51
Investment Property	357.00	358.42
Other Intangible Assets	50.85	51.32
Goodwill on Consolidation	1,162.64	1,162.64
<b>Financial Assets</b>		
i. Investments	137.87	120.70
ii. Trade receivables	623.00	622.07
iii. Other Financial Assets	565.84	480.08
Deferred tax assets	57,940.60	57,940.49
Other Non-current Assets	149.49	149.41
<b>Total Non-current Assets</b>	<b>77,619.57</b>	<b>78,103.82</b>
<b>Current Assets</b>		
Inventories	8,909.82	9,449.35
<b>Financial Assets</b>		
i. Trade Receivables	1,05,831.16	1,08,738.97
ii. Cash and cash equivalents	5,593.32	3,823.23
iii. Bank balances other than (ii) above	128.13	363.72
iv. Loans	1,525.62	1,430.18
v. Other financial assets	33,267.33	26,625.64
Current Tax Assets (net)	845.07	4,429.91
Other current assets	43,959.51	46,855.47
<b>Total Current Assets</b>	<b>2,00,059.96</b>	<b>2,01,718.47</b>
<b>Total Assets</b>	<b>2,77,679.53</b>	<b>2,79,822.29</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	21,157.08	21,157.08
<b>Other equity</b>		
Reserves and Surplus	(28,060.87)	(25,881.59)
Equity attributable to owners of the company	(6,903.79)	(4,724.51)
Non controlling Interest	2,024.03	2,019.79
<b>Total Equity</b>	<b>(4,879.76)</b>	<b>(2,704.72)</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	14,117.47	13,447.67
ii. Trade payables	-	-
Total outstanding dues of micro enterprise and small enterprises	1.00	0.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,491.65	2,482.10
iii. Other financial liabilities	397.60	792.39
Provisions	401.00	-
Other Non Current Liability	-	-
<b>Total Non-current Liabilities</b>	<b>17,408.72</b>	<b>16,722.84</b>
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
i. Borrowings	2,21,006.42	2,18,719.46
ii. Trade payables		
Total outstanding dues of micro enterprise and small enterprises	414.16	407.81
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,314.91	26,061.88
iii. Other financial liabilities	17,447.67	17,603.97
Provisions	176.84	266.00
Other current liabilities	734.57	2,745.05
Current Tax Liabilities (Net)	56.00	-
<b>Total Current Liabilities</b>	<b>2,65,150.57</b>	<b>2,65,804.17</b>
<b>Total Liabilities</b>	<b>2,82,559.29</b>	<b>2,82,527.01</b>
<b>Total Equity and Liabilities</b>	<b>2,77,679.53</b>	<b>2,79,822.29</b>



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SRINI VASH SINGH  
DN: cn=SRINI VASH SINGH, o=V. Srinivasa Murthy & Associates, ou=Chartered Accountants, email=SRINI.VASH.SINGH@VSMCA.COM, c=IN

**MCNALLY BHARAT ENGINEERING COMPANY LIMITED**  
**CIN: L42202WB1961PLC025151**  
 Regd. Office: 4 MANGO LANE, Kolkata 700 001  
 Website: www.mcnallybharat.com, Email Id: mbecl@mbecol.co.in, Phone no: (033) 6638-1213  
**Statement of Unaudited Consolidated Financial Results for the quarter and half year ended 30th September, 2021**

(Rs. in Lakhs, unless otherwise stated)

Particulars	For The Three months ended			Half year ended		Year ended
	30th September 2021	30th June 2021	30th September 2020	30th September 2021	30th September 2020	31st March 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	10,897.26	9,116.28	10,103.62	20,013.54	20,598.87	50,151.85
2 Other income	1,259.05	884.38	1,007.52	2,153.43	1,732.20	3,033.64
3 Total income (1+2)	12,156.31	10,000.66	11,111.14	22,166.97	22,331.17	53,185.49
4 Expenses						
(a) Cost of materials consumed	3,606.76	2,977.75	3,186.14	6,584.51	7,758.84	20,991.44
(b) Changes in Inventories of work-in-progress and finished goods	351.88	53.12	28.80	405.00	714.00	1,367.00
(c) Contracting expenses to job workers	2,594.29	2,940.19	2,938.11	5,534.48	5,624.64	11,840.79
(d) Employee benefits expense	1,814.58	1,770.55	1,913.54	3,625.13	3,886.81	7,563.99
(e) Finance costs	1,257.24	1,004.22	1,553.78	2,261.46	3,344.20	4,516.62
(f) Depreciation and amortisation expense	298.32	298.93	483.42	597.45	1,006.92	1,624.86
(g) Other expenses	2,100.53	2,528.56	2,039.37	4,629.10	4,537.17	9,531.16
Total expenses	12,023.80	11,983.92	12,168.16	23,617.13	26,472.88	57,535.84
5 Profit / (Loss) before tax and Exceptional Items (3-4)	132.50	(1,592.60)	(1,054.02)	(1,450.16)	(4,121.21)	(4,350.36)
6 Exceptional Items	-	-	-	-	-	-
Profit / (Loss) before tax (5-6)	132.50	(1,592.60)	(1,054.02)	(1,450.16)	(4,121.21)	(4,350.36)
7 Tax expense:						
(a) Current tax	-	-	-	-	-	-
(b) Provision Written Back	-	-	-	-	-	-
(c) Deferred tax	-	-	-	-	-	-
8 Profit / (Loss) for the period/year (5-6)	132.50	(1,592.60)	(1,054.02)	(1,450.16)	(4,121.21)	(4,350.36)
9 Other Comprehensive Income						
(a) Items that will not be reclassified to profit or loss	4.44	5.44	(12.76)	9.88	(25.53)	35.75
(b) Income tax relating to these items	-	-	(3.90)	-	-	-
Total other comprehensive income (net of income tax)	4.44	5.44	(16.66)	9.88	(25.53)	35.75
10 Total comprehensive income for the period/year (8+9)	146.94	(1,587.22)	(1,070.68)	(1,440.28)	(4,146.74)	(4,314.61)
11 Profit/(Loss) attributable to:						
Owners of MBECL	110.97	(1,565.18)	(1,146.10)	(1,454.21)	(4,146.66)	(4,471.52)
Non-Controlling interest	31.54	(27.48)	92.09	4.06	23.26	121.16
Total	142.50	(1,592.60)	(1,054.01)	(1,450.16)	(4,121.20)	(4,350.36)
12 Other Comprehensive income is attributable to:						
Owners of MBECL	4.08	5.62	(13.16)	9.70	(20.00)	32.43
Non-Controlling interest	0.36	(0.18)	(3.50)	0.18	(5.53)	3.32
Total	4.44	5.44	(16.66)	9.88	(25.53)	35.75
13 Total Comprehensive income is attributable to:						
Owners of MBECL	115.04	(1,559.56)	(1,159.27)	(1,444.52)	(4,166.66)	(4,439.09)
Non-Controlling interest	31.90	(27.66)	88.60	4.24	19.73	124.48
Total	146.94	(1,587.22)	(1,070.67)	(1,440.28)	(4,146.73)	(4,314.61)
14 Paid up equity share capital ( Face value of the share Rs.10 each)						21,157.08
15 Reserve excluding revaluation reserve						(24,602.10)
16 Earnings Per Share (of Rs. 10/- each) (not annualised):						
Basic	0.07	(0.75)	(0.50)	(0.69)	(1.95)	(2.11)
Diluted	0.07	(0.75)	(0.50)	(0.69)	(1.95)	(2.11)

Also refer accompanying notes to the Financial Results.

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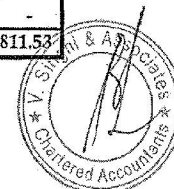


McNally Bharat Engineering Company Limited  
(All amounts are Rs. in Lakhs, unless otherwise stated)

Consolidated Statement of unaudited cash flows for the Half year ended September 30, 2021

Particulars	Half Year ended September 30, 2021	Half Year ended September 30, 2020
Cash flow from operating activities		
Profit before income tax	(1,441.28)	(4,121.20)
Adjustments for		
Depreciation	597.45	1,006.84
Finance Cost	2,223.46	3,344.40
Interest Income	1,600.98	(1,644.68)
Loss/(Profit) on Disposal of Fixed Assets (Net)	-	(26.15)
Provision for Bad & Doubtful Debts	89.00	82.00
Bad Debts Written Off	-	-
Reclassification of Indas-116	11.00	-
Expected credit loss provided for/(written back)	488.74	399.56
Advance written off	-	-
Liability no longer required written back	(6.00)	-
Provision No Longer Required Written Back	-	-
Provision for Warranty	43.00	3.62
Provision for Doubtful Debts against expenses recoverable	-	-
Provision for Future Foreseeable Losses in Construction Contracts	(221.77)	(17.89)
Net exchange differences	1.00	-
Unrealised (gain)/ loss on Foreign Currency Translation (Net)	2.60	54.08
Interest Income on unwinding on revenue deferred	-	(18.00)
Deferred Retention Income	-	-
Net (gain)/loss on financial assets measured at fair value through profit or loss	(17.17)	0.99
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	1,997.51	251.80
(Increase)/Decrease in inventories	390.18	274.98
Increase/(Decrease) in trade payables	(368.89)	1,006.18
Increase / (Decrease) in Employee Benefit Obligation	7.02	-
(Increase)/Decrease in other financial assets	(8,407.51)	1,009.06
(Increase)/decrease in other non-current assets	0.34	0.34
(Increase)/decrease in other current assets, Loans and Advances	425.22	(1,510.80)
Increase/(decrease) in provisions	19.18	169.13
Increase/ (decrease) in other financial liabilities	345.04	(471.78)
Increase/ (decrease) in other liabilities	353.53	71.50
<b>Cash generated from operations</b>		
Income taxes (paid)/Refund	3,656.00	2,165.24
<b>Net cash inflow / (outflow) from operating activities</b>	<b>1,789.03</b>	<b>2,029.22</b>
Cash flows from investing activities		
Purchase of property, plant and equipment	(20.02)	(20.45)
Loans given during the year	-	(15.45)
Proceeds from sale of property, plant and equipment	-	30.53
Deposits matured/(made) during the year	55.12	(63.41)
Interest received	8.00	192.17
<b>Net cash inflow / (outflow) from investing activities</b>	<b>43.10</b>	<b>123.39</b>
Cash flows from financing activities		
Proceeds from borrowings	1,674.98	150.00
Repayment of borrowings	(8.00)	(1,447.95)
Transaction with non controlling interest	-	-
Interest paid	(2,223.46)	(241.77)
Net increase in Cash Credit Facilities including WCDC	590.00	-
<b>Net cash inflow / (outflow) from financing activities</b>	<b>33.52</b>	<b>(1,539.72)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,865.65</b>	<b>612.89</b>
Cash and cash equivalents at the beginning of the financial year	3,823.23	2,198.64
Effects of exchange rate changes on cash and cash equivalents	(95.56)	-
<b>Cash and cash equivalents at end of the year</b>	<b>5,593.32</b>	<b>2,811.53</b>

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**McNally Bharat Engineering Company Limited**

**Notes to the Statement of Consolidated Unaudited Financial Results for the quarter ended 30<sup>th</sup> September, 2021**

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13<sup>th</sup> November, 2021.
2. 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.
3. The Holding Company along with its subsidiaries is primarily engaged in the business of construction and hence no separate disclosure has been made for segment reporting as per Ind AS 108-Operating Segments.
4. The Holding Company and one of its Subsidiary Company, McNally Sayaji Engineering Limited has not recognised interest expense on Bank borrowings and Inter corporate borrowings amounting to Rs. 17,730.22 Lakhs and Rs. 439.94 Lakhs respectively for the half year ended 30<sup>th</sup> September, 2021 (including Rs. 8,854.16 Lakhs and Rs.220.83 Lakhs interest expenses on Bank borrowings and Inter Corporate borrowings respectively for the quarter ended 30<sup>th</sup> September, 2020) as referred in Note 4 to the Statement. As a result, finance costs and total comprehensive profit for the quarter and half year ended 30<sup>th</sup> September, 2021 are overstated to that extent. Further interest expense not recognized on bank borrowings and inter corporate borrowings for the year ended 31st March, 2021 was 35,615.61 Rs. Lakhs and Rs. 819.80 Lakhs respectively.
5. During the quarter and half year ended 30<sup>th</sup> September, 2021, the group has reported a net profit of Rs. 146.94 Lakhs in spite of that the Company's financial performance has been adversely affected due to downturn of the infrastructure and core sector, working capital constraints and external factors beyond the Company's control and the Company has not been able to meet its financial commitments /covenants to lenders and various other stakeholders. The Holding Company along with its subsidiaries has submitted its resolution proposal to the lenders for restructuring and the lenders have decided to have Techno Economic Viability (TEV) study of a Resolution plan submitted by Holding Company and the Subsidiary Company. The Lenders are actively considering the resolution plan and have appointed various agencies to evaluate the resolution plan. The Management is also evaluating various options and hopeful that with the support of the lenders and on approval of the Resolution Plan, the Company will be able to generate sufficient cash flows through profitable operations to discharge its financial obligations. Hence, the Board of Directors have decided to prepare the Consolidated Unaudited Financial Results on a going concern basis.
6. The World Health Organization (WHO) declared outbreak of COVID-19, a global pandemic and consequent to this, Government of India (GOI) as well as State Governments declared various



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restrictions and protocols for compliance as well as imposed lockdowns from time to time. The COVID-19 significantly impacted overall business operations globally, and the Company was not an exception, by way of interruption in the project activities, supply chain disruption, limited availability of human resource etc. Post lockdown with the phased resumption of operations in consideration of directives from the GOI as well as respective State Governments, the business of the Company gradually started regaining its normalcy in terms of volume as well as cash flow. However, the onset of second wave of COVID – 19 resulted in another disruption in business operation adversely affecting the performance. The Company has evaluated its liquidity position and recoverability and carrying value of its assets and has concluded that no material adjustments are required currently at this stage.

7. The Holding Company along with its subsidiaries had recognised Deferred Tax Assets amounting to Rs 57,940.49 Lakhs upto 31<sup>st</sup> March, 2019. The Company believes that based on the infusion of fresh funds coming to the Company with the lenders support on the debt restructuring proposal, there will be adequate future taxable profits available to the Company against which the Deferred Tax Assets can be utilised. However, the Company has not recognised further Deferred Tax Assets thereafter on prudent basis.
8. Trade Receivables, Other Financial Assets and Other Current Assets are subject to confirmation and reconciliation from respective parties and consequential reconciliation, outcomes of pending arbitration/settlements and adjustments arising therefrom, if any. The management, however, does not expect any material variation. Management is also hopeful for recovery/realisation of these assets in the normal course of business.
9. McNally Bharat Engineering Company Limited had pledged its investment to the extent of 23,37,211 Equity Shares as security against the term loan facilities granted to McNally Sayaji Engineering Ltd.( A subsidiary of MBE ) from ICICI Bank Limited. During the quarter ended 31<sup>st</sup> December, 2020, ICICI Bank Limited has invoked pledge created over these shares for a transfer value of Re. 1 adjusted towards the over dues amount of the Company. The Company has objected the invocation of the said share pledge and undervalued transfer. Accordingly, the Company has not made any adjustment to the carrying value of the loan as on 30<sup>th</sup> September, 2021.
10. The results of the Joint Venture of the Holding Company i.e. EMC MBE Contracting Company LLC, McNally-Troxex, McNally-AML and McNally-Troxex-Kilburn those carrying value in the Financial Results of the Holding Company is Rs. Nil (net of impairment) and has not been considered in the Consolidated Financial Results.
11. Project business is subject to quarterly variations and one quarter's performance in isolation does not necessarily indicate full year's performance.



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SRINI VASHI SINGH  
DN: cn=SRINI VASHI SINGH,  
o=V Singh & Associates,  
ou=Chartered Accountants,  
email=SRINI.VASHI.SINGH@VSA.CO  
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Date: 2021.11.18  
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12. Figures for the previous quarters/periods have been regrouped/ rearranged wherever considered necessary.



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(SRINIVASH SINGH)  
MANAGING DIRECTOR  
DIN- 00789624

Date: 13<sup>th</sup> November, 2021  
Place: Kolkata