

MBL Infrastructures Limited
(CIN-L27109DL1995PLC338407)

Registered & Corporate Office: Baani Corporate One, Suite No. 308, 3rd Floor,
Plot No. 5, Commercial Centre, Jasola, New Delhi - 110025

Tel No. 011-48593300; Fax No. 011-48593320, www.mblinfra.com; Email : cs@mblinfra.com.

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rs. in Lakhs except earnings per share data)

S. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	a. Revenue from Operation	194	1,489	1,292	7,411
	b. Other Income	3,224	1,794	2,387	8,737
	Total Income	3,418	3,283	3,679	16,148
2	Expenses				
	a. Cost of Materials Consumed	482	969	239	1,993
	b. Direct Labour, Sub-Contracts etc	160	426	252	1,550
	c. Employee Benefits Expense	194	217	131	714
	d. Finance Costs	68	32	1	32
	e. Depreciation and Amortisation Expense	159	559	179	1,099
	f. Other Expenses	2,199	2,786	2,732	10,054
	Total Expenses	3,262	4,989	3,534	15,442
3	Profit/ (Loss) before Exceptional Item and Tax (1-2)	156	(1,706)	145	706
4	Exceptional Items	-	-	-	-
5	Profit/ (Loss) before Tax (3+4)	156	(1,706)	145	706
6	Tax Expense				
	a. Current Tax	-	-	-	-
	b. Deferred Tax	(1)	(3,456)	(949)	(5,653)
	c. Income Tax for Earlier Years	-	-	-	-
	Total Tax Expenses	(1)	(3,456)	(949)	(5,653)
7	Profit/ (Loss) for the period (5-6)	157	1,750	1,094	6,359
8	Other Comprehensive Income				
	a. Items that will not be reclassified to profit & Loss	2	(10)	4	2
	b. Income Tax relating to items that will not be reclassified to profit & Loss	-	3	(1)	-
	Total Other Comprehensive Income for the period (8)	2	(7)	3	2
9	Total Comprehensive Income for the period (7+8)	159	1,743	1,097	6,361
10	Paid up Equity Share Capital (Face value of Rs.10/- each)	10,475	10,475	10,475	10,475
11	Other Equity	-	-	-	1,12,684
12	Earnings per Equity (EPS) (in Rs.)				
	a. EPS before Exceptional Items (Basic and Diluted) (in Rs.)	0.15	1.66	1.05	6.07
	b. EPS after Exceptional Items (Basic and Diluted) (in Rs.)	0.15	1.66	1.05	6.07

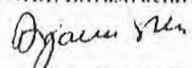


Notes

- 1 These above standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Companies (Indian Accounting Standards) Rules, 2015 as amended. The standalone financial results of the Company have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company in their meeting held on July 30, 2022.
- 2 Resolution Plan of the Company under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) was approved by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata by its order dated April 18, 2018. The appeals filed by some of the banks were dismissed by the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated August 16, 2019 finding them without any merit. The Hon'ble Supreme Court by its order dated January 18, 2022 has dismissed the civil appeal no. 8411 of 2019 filed by one of the dissenting banks against the Hon'ble NCLAT order dated August 16, 2019. The Resolution Plan has accordingly attained finality.
- 3 The Resolution Plan approved under IBC is binding on all creditors including Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016 and any amount not claimed by the operational creditors stand extinguished. These claims are subject to reconciliation and rights and remedies available with the Company and are not acknowledged as debt.
- 4 The Company has as at June 30, 2022 (i) Non-Current Investment amounting to Rs.1,000.00 lakhs (June 30, 2021; Rs.1,000.00 lakhs) in MBL (MP) Road Nirman Company Limited; (ii) Non-Current Investment amounting to Rs.1,200.00 lakhs (June 30, 2021; Rs.1,200.00 lakhs) in AAP Infrastructure Limited; (iii) Non-Current Investment amounting to Rs.5,110.00 lakhs (June 30, 2021; Rs.5,110.00 lakhs) in MBL Highway Development Company Limited. All the above entities are wholly owned by the Company along with its wholly owned subsidiary Company, MBL Projects Ltd and have incurred losses due to cancellation/termination of the projects. The net worth of above entities as at June 30, 2022 have been fully eroded. The net worth of these subsidiaries does not represent true market value of the underlying investment/assets. Claims have been filed against the cancellation/termination of the projects. These claims are based on the terms & conditions implicit in the contract in respect of the cancelled/terminated projects. Considering the contractual tenability; legal advice obtained and progress of arbitration/ litigation, the management is confident of recovery of these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of the investments and, therefore, has considered the investment in the above subsidiaries as good and recoverable.
- 5 The Company has as at June 30, 2022 Non-Current Investment amounting to Rs.2,984 lakhs (June 30, 2021; Rs.2,984 lakhs) in its wholly owned subsidiary company MBL Projects Ltd. The net worth of the subsidiary does not represent true market value of the underlying investment/assets. The subsidiary holds shares in downstream SPVs in which projects were cancelled/ terminated. Claims have been filed against cancellation/termination of the projects. These claims are based on the terms & conditions implicit in the contract in respect of cancelled/terminated projects. Considering the contractual tenability; legal advice obtained and progress of arbitration/ litigation, the management is confident of recovery of these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, has considered the investment in the above subsidiary as good and recoverable.
- 6 The Company has as at June 30, 2022 Non-Current Investment amounting to Rs.18,505 lakhs (June 30, 2021; Rs.18,505 lakhs) in its wholly owned subsidiary company Suratgarh Bikaner Toll Road Company Private Limited which has started toll operations effective February 17, 2019. The net worth of the subsidiary does not represent true market value of the underlying investment/assets. Based on TEV study report; certain estimates like future business plan; growth prospects and other factors, the management is confident that the realisable amount is higher than the carrying value of the investment and, therefore, considering the investment in the above subsidiary as good and recoverable.
- 7 Pursuant to the provisions of Ind AS 12 "Income Taxes", the Company has conservatively recognised deferred tax assets (net) as at June 30, 2022 amounting to Rs.1 lakhs (June 30, 2021 Rs.949 lakhs) corresponding to unused brought forward income tax losses for which it has convincing evidences viz. opportunities available in area of its core competence, bidding/pre-qualification limit, conducive government policies and market conditions, recovery of pending claims, TEV study and approved Resolution Plan etc., based on which it is inferred that sufficient taxable profit will be available against which unused tax losses can be utilised by the Company.
- 8 The Company has claims in respect of cost over-runs arising due to client responsibility delays, client's suspension of projects, deviation in design, change in scope of work etc., which are at various stages of negotiation/ discussion with the clients/ arbitration /litigation. The realisability of these claims are estimated by the Company based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Revenue in respect of claim is recognised to the extent the Company is reasonably certain of their realisation. Realisation of above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.
- 9 The Company is engaged in Infrastructure Construction/Project activities which are seasonal in nature and the margins vary based on the accrual of cost and recognition of income in different quarters due to nature of business or events which lead to revision in cost to complete.
- 10 The Company's operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating Segments.
- 11 As part of the approved Resolution Plan there is waiver of interest/penal interest/interest on interest/other penal charges on the delayed payments from the date of NPA till the implementation of the resolution plan by financial creditors. The Financial creditors are yet to implement the approved Resolution Plan and therefore interest etc. have not accrued to them. Accordingly, no provision for interest amounting to Rs.512 lakhs and (June 30, 2021: Rs.514 lakhs) has been made for the quarter ended June 30, 2022. The Hon'ble NCLT has passed order dated March 11, 2022 excluding the period from April 18, 2018 to January 18, 2022 from the calculation of the period for implementation of the approved Resolution Plan and all dates mentioned in the Resolution Plan are consequently extended for implementation of the Resolution Plan. An appeal has been filed before the Hon'ble NCLAT against order dated March 11, 2022, which is pending adjudication. The ageing of the borrowings has been taken as per Hon'ble NCLT order and may undergo changes after adjudication.
- 12 The figure for the quarter ended March 31, 2022 is balancing figures between the audited figures in respect of the full financial year upto March 31, 2022 and the unaudited published year to date figure upto the third quarter ended December 31, 2021 being the date of the end of third quarter of the financial year which were subjected to limited review.
- 13 Figures for the previous period/quarter have been reworked/regrouped/recasted, wherever considered necessary.
- 14 All figures are in lakhs except earnings per share. Figures in () denote negative/decrease.

Date: July 30, 2022
Place: New Delhi



For MBL Infrastructures Ltd.

Arjane Kumar Lakhota
Chairman & Managing Director
DIN 00357695

SV/22-23/010

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

To the Board of Directors of MBL Infrastructures Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MBL Infrastructures Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter ended June 30, 2022 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act") 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 Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan to 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 specified under Section 143 (10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the financial results of the entities listed in Annexure A.



5. Based on our review conducted as above, and based on the consideration of the review reports of the other auditors referred in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ("Ind AS") specified under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of 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.

6. Emphasis of Matters

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

- a. Note 2 regarding the approval of Resolution Plan of the Holding Company under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata by its order dated April 18, 2018. The appeals filed by some of the banks were dismissed by the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated August 16, 2019 finding them without any merit. The Hon'ble Supreme Court by its order dated January 18, 2022 has dismissed the civil appeal no. 8411 of 2019 filed by one of the dissenting banks against the Hon'ble NCLAT order dated August 16, 2019. The Resolution Plan has accordingly attained finality.
- b. Note 3 regarding judgments of the Hon'ble Supreme Court, whereby the Resolution Plan approved under IBC is binding on all creditors including Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016 and any amount not claimed by the operational creditors stand extinguished. These claims are subject to reconciliation and rights and remedies available with the Group and are not acknowledged as debt.
- c. Note 4 regarding recognition of deferred tax assets (net) on conservative basis as at June 30, 2022 amounting to Rs.1 lakhs (June 30, 2021 Rs.946 lakhs) corresponding to unused brought forward income tax losses pursuant to the provisions of Ind AS 12 "Income Taxes", for which it has convincing evidences viz. opportunities available in area of its core competence, bidding/pre-qualification limit, conducive government policies and market conditions, recovery of pending claims, TEV study and approved Resolution Plan etc., based on which it is inferred that sufficient taxable profit will be available against which unused tax losses can be utilised by the Group.
- d. Note 5 regarding the claims of the Holding Company in respect of cost over-runs arising due to client responsibility delays, client's suspension of projects, deviation in design, change in scope of work etc., which are at various stages of negotiation/ discussion with the clients/ arbitration /litigation. The realisability of these claims are estimated by the Company based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Revenue in respect of claims is recognised to the extent the Company is reasonably certain of their realisation. Realisation of above claims may be lower



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

- e. Note 8 regarding the management's assessment of the financial impact of the outbreak of Coronavirus (Covid-19) pandemic situation, for which a definitive assessment of the impact in the subsequent period is dependent upon the circumstances as they evolve.
- a. Note 12 regarding non provision of interest in view of waiver of interest/ penal interest/ interest on interest/ other panel charges on the delayed payments from the date of NPA till the implementation of the resolution plan by the Working Capital Banks. As the Working Capital Banks are yet to implement the approved Resolution Plan and therefore interest etc. have not accrued to them. Accordingly, no provision for interest amounting to Rs.512 lakhs and (June 30, 2021; Rs.514 lakhs) has been made for the quarter and year ended June 30, 2022. The Hon'ble NCLT has passed order dated March 11, 2022 excluding the period from April 18, 2018 to January 18, 2022 from the calculation of the period for implementation of the approved Resolution Plan and all dates mentioned in the Resolution Plan are consequently extended for implementation of the Resolution Plan. An appeal has been filed before the Hon'ble NCLAT against the Order dated March 11, 2022, which is pending adjudication. The ageing of the borrowings has been taken as per the Hon'ble NCLT order and may undergo changes after adjudication.

Our conclusion is not modified in respect of above matters.

Auditors of one of the subsidiary company i.e. Suratgarh Bikaner Toll Road Company Private Limited in his report on financial results for the quarter ended June 30, 2022 have drawn emphasis of matter paragraphs and incorporated by us as under:

- a) We have placed reliance on Resolution Plan submitted by the Company to the bankers which is prepared based on TEV study conducted by external agency and accordingly in the opinion of the management, there is no impairment of assets as on June 30, 2022 and there is no doubt on Company's ability to continue as a going concern.
- b) The loans /credit facilities provided by lenders have been classified as Non-Performing Assets (NPA) by all lenders as on balance sheet date, however in Ind-AS Financial Statements the same is shown both under Short term & Long term borrowings on the basis of original Sanction letter.



Annexure A

List of entities included in the Statement


Name of the Entity	Relationship
AAP Infrastructures Limited	Wholly Owned Subsidiary
MBL Highway Development Company Limited	Wholly Owned Subsidiary
MBL (MP) Toll Road Company Limited	Wholly Owned Subsidiary
MBL (Haldia) Toll Road Company Limited	Wholly Owned Subsidiary
MBL Projects Limited	Wholly Owned Subsidiary
Suratgarh Bikaner Toll Road Company Private Limited	Wholly Owned Subsidiary
MBL (MP) Road Nirman Company Limited	Wholly Owned Subsidiary
MBL (Udaipur Bypass) Road Limited	Wholly Owned Subsidiary



Our conclusion is not modified in respect of above matters.

7. We did not review the interim financial results of 8 subsidiaries included in the unaudited consolidated financial results, whose interim financial results (before eliminating intra-group transactions) reflects total revenue of Rs.2,640 lakhs, total loss after tax (net) of Rs.1,846 lakhs and total comprehensive income (net) of Rs.Nil for the quarter June 30, 2022, as considered in the unaudited consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above.

For S A R C & Associates
Chartered Accountants
ICAI Firm Registration No.006085N


Kamal Aggarwal
Partner

Membership No.: 090129

UDIN No.: 22090129ANXPLL1289



Place: New Delhi
Dated: July 30, 2022

MBL Infrastructures Ltd.

(CIN-L27109DL1995PLC338407)

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

(Rs. in Lakhs except earnings per share data)

Particulars	Quarter Ended		Year Ended	
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1 Income				
a. Revenue from Operation	2,432	3,512	3,173	16,439
b. Other Income	3,422	2,014	2,597	9,608
Total Income	5,854	5,526	5,770	26,047
2 Expenses				
a. Cost of Materials Consumed	482	970	239	2,019
b. Direct Labour, Sub-Contracts etc	165	449	252	1,579
c. Employee Benefits Expense	358	378	295	1,378
d. Finance Costs	876	896	893	3,568
e. Depreciation and Amortisation Expense	1,884	2,037	1,561	6,712
f. Other Expenses	3,777	5,486	3,464	16,290
Total Expenses	7,542	10,216	6,704	31,546
3 Profit / (Loss) before Exceptional Item and tax (1-2)	(1,688)	(4,690)	(934)	(5,499)
4 Exceptional Items	-	-	-	-
5 Profit/(Loss) before Tax (3+4)	(1,688)	(4,690)	(934)	(5,499)
6 Tax Expense				
a. Current Tax	-	-	-	-
b. Deferred Tax	(1)	(3,324)	(946)	(5,512)
c. Income Tax for Earlier Years	-	-	-	-
Total Tax Expenses	(1)	(3,324)	(946)	(5,512)
7 Profit / (Loss) for the period (5-6)	(1,687)	(1,366)	12	13
8 Other Comprehensive Income				
a. Items that will not be reclassified to profit & Loss	2	(10)	4	2
b. Income Tax relating to items that will not be reclassified to profit & Loss	-	3	(1)	-
Total Other Comprehensive Income for the period (8)	2	(7)	3	2
9 Total Comprehensive Income for the period (7+8)	(1,685)	(1,373)	15	15
10 Paid up Equity Share Capital (Face value of 10 each)	10,475	10,475	10,475	10,475
11 Other Equity	-	-	-	73,169
12 Earnings per Equity (EPS) (in Rs.)				
a. EPS before Exceptional Items (Basic and Diluted) (In Rs.)	(1.61)	(1.31)	0.01	0.01
b. EPS after Exceptional Items (Basic and Diluted) (In Rs.)	(1.61)	(1.31)	0.01	0.01



Notes

- 1 MBL Infrastructures Ltd. (the Holding Company) and its subsidiaries are together referred to as 'the Group' in the following notes. These audited consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Companies (Indian Accounting Standards) Rules, 2015 as amended. The consolidated financial results of the Group have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Holding Company in their meeting held on June 30, 2022. The same have also been subjected to Limited Review by the Statutory Auditors.
- 2 Resolution Plan of the Holding Company under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) was approved by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata by its order dated April 18, 2018. The appeals filed by some of the banks were dismissed by the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated August 16, 2019 finding them without any merit. The Hon'ble Supreme Court by its order dated January 18, 2022 has dismissed the civil appeal no. 8411 of 2019 filed by one of the dissenting banks against the Hon'ble NCLAT order dated August 16, 2019. The Resolution Plan has accordingly attained finality.
- 3 The Resolution Plan approved under IBC is binding on all creditors including Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016 and any amount not claimed by the operational creditors stand extinguished. These claims are subject to reconciliation and rights and remedies available with the Group and are not acknowledged as debt.
- 4 Pursuant to the provisions of Ind AS 12 "Income Taxes", the Group has conservatively recognised deferred tax assets (net) as at June 30, 2022 amounting to Rs.1 lakhs (June 30, 2021 Rs.946 lakhs) corresponding to unused brought forward income tax losses for which it has convincing evidences viz. opportunities available in area of its core competence, bidding/pre-qualification limit, conducive government policies and market conditions, recovery of pending claims, TEV study and approved Resolution Plan etc., based on which it is inferred that sufficient taxable profit will be available against which unused tax losses can be utilised by the Group.
- 5 The Group has claims in respect of cost over-run arising due to client responsibility delays, client's suspension of projects, deviation in design, change in scope of work etc., which are at various stages of negotiation/ discussion with the clients/ arbitration/ litigation. The realisability of these claims are estimated by the Company based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Revenue in respect of claim is recognised to the extent the Group is reasonably certain of their realisation. Realisation of above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.
- 6 The Group is engaged in Infrastructure Construction/Project activities which are seasonal in nature and the margins vary based on the accrual of cost and recognition of income in different quarters due to nature of business or events which lead to revision in cost to complete.
- 7 The Group operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating Segments.
- 8 The account of one of the Subsidiary Company i.e. Surmtgarh Bikaner Toll Road Company Private Limited with banks became NPA. A Resolution Plan under RBI guidelines is under consideration. Provision for the finance costs has been made for the period as per the said Resolution Plan. The classification of the term loans may undergo change on implementation of the Resolution Plan.
- 9 The Group reports consolidated financial results on quarterly basis as per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. The standalone financial results are available on Company's website viz www.mblinfra.com and on website of BSE (www.bseindia.com) and NSE (www.nseindia.com). The specified items of the standalone financial results of the Company for the quarter ended June 30,

Particulars	Quarter ended			Year Ended
	June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
	(Unaudited)	(Unaudited) refer Note.12	(Unaudited)	(Audited)
Revenue	3,418	3,283	3,679	16,148
Profit/(Loss) Before Exceptional Items & Tax	156	(1706)	145	706
Profit/(Loss) Before Tax	156	(1706)	145	706
Profit/(Loss) for the Period	157	1750	1,094	6,350

- 10 As part of the approved Resolution Plan there is waiver of interest/penal interest/interest on interest/other penal charges on the delayed payments from the date of NPA till the implementation of the resolution plan by financial creditors. The Financial creditors are yet to implement the approved Resolution Plan and therefore interest etc. have not accrued to them. Accordingly, no provision for interest amounting to Rs.512 lakhs and (June 30, 2021; Rs.514 lakhs) has been made for the quarter ended June 30, 2022. The Hon'ble NCLT has passed order dated March 11, 2022 excluding the period from April 18, 2018 to January 18, 2022 from the calculation of the period for implementation of the approved Resolution Plan and all dates mentioned in the Resolution Plan are consequently extended for implementation of the Resolution Plan. An appeal has been filed before the Hon'ble NCLAT against order dated March 11, 2022, which is pending adjudication. The ageing of the borrowings has been taken as per Hon'ble NCLT order and may undergo changes after adjudication.
- 11 Applications have been submitted to the Ministry of Corporate Affairs (MCA) for striking off the name of 2 subsidiaries namely MBL (Haldia) Toll Road Company Limited and MBL (Udaipur Bypass) Road Limited respectively as they have no business.
- 12 The figure for the quarter ended March 31, 2022 is balancing figures between the audited figures in respect of the full financial year upto March 31, 2022 and the unaudited published year to date figure upto the third quarter ended December 31, 2021 being the date of the end of third quarter of the financial year which were subjected to limited review.
- 13 Figures for the previous period/quarter have been reworked/regrouped/reasted, wherever considered necessary.
- 14 All figures are in lakhs except earnings per share. Figures in () denote negative/decrease.

Date: July 30, 2022
Place: New Delhi



For MBL Infrastructures Ltd.
Anjee Kumar Lakhotia
Anjee Kumar Lakhotia
Chairman & Managing Director
DIN 00357695

SV/22-23/009

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

To the Board of Directors of MBL Infrastructures Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MBL Infrastructures Limited** ("the Company") for the quarter ended June 30, 2022 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended).
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act") 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 Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that we plan to 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 specified under Section 143 (10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ("Ind AS") specified under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of 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.



Emphasis of Matters

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

- a. Note 2 regarding the approval of Resolution Plan of the Company under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata by its order dated April 18, 2018. The appeals filed by some of the banks were dismissed by the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated August 16, 2019 finding them without any merit. The Hon'ble Supreme Court by its order dated January 18, 2022 has dismissed the civil appeal no. 8411 of 2019 filed by one of the dissenting banks against the Hon'ble NCLAT order dated August 16, 2019. The Resolution Plan has accordingly attained finality.
- b. Note 3 regarding judgments of the Hon'ble Supreme Court, whereby the Resolution Plan approved under IBC is binding on all creditors including Central Government, State Government, any Local Authority under section 31(1) of IBC, 2016 and any amount not claimed by the operational creditors stand extinguished. These claims are subject to reconciliation and rights and remedies available with the Company and are not acknowledged as debt.
- c. Note 4 regarding Investments by the Company has as at June 30, 2022 (i) Non-Current Investment amounting to Rs.1,000.00 lakhs (June 30, 2021; Rs.1,000.00 lakhs) in MBL (MP) Road Nirman Company Limited; (ii) Non-Current Investment amounting to Rs.1,200.00 lakhs (June 30, 2021; Rs.1,200.00 lakhs) in AAP Infrastructure Limited; (iii) Non-Current Investment amounting to Rs.5,110.00 lakhs (June 30, 2021; Rs.5,110.00 lakhs) in MBL Highway Development Company Limited. All the above entities are wholly owned by the Company along with its wholly owned subsidiary Company, MBL Projects Ltd and have incurred losses due to cancellation/termination of the projects. The net worth of above entities as at June 30, 2022 have been fully eroded. The net worth of these subsidiaries does not represent true market value of the underlying investment/assets. Claims have been filed against the cancellation/termination of the projects. These claims are based on the terms & conditions implicit in the contract in respect of the cancelled/terminated projects. Considering the contractual tenability; legal advice obtained and progress of arbitration/ litigation, the management is confident of recovery of these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of the investments and, therefore, has considered the investment in the above subsidiaries as good and recoverable.
- d. Note 5 regarding Non-Current Investment as at June 30, 2022 amounting to Rs.2,984 lakhs (June 30, 2021; Rs.2,984 lakhs) holds 100% shares in MBL Projects Ltd., the net worth of the subsidiary which does not represent true market value. The subsidiary holds shares in downstream SPVs in which projects were cancelled. Claims have been filed against cancellation of projects. These claims are based on the terms & conditions implicit in the contract in respect of cancelled projects. Considering the contractual tenability, legal advice obtained and progress of arbitration/ litigation, the management is confident of recovery in these claims. In view of this, the management is confident that the realisable amount is higher than the carrying value of non-current assets and therefore considering the investment in the above subsidiary as good and recoverable.



- e. Note 6 regarding Non-Current Investment as at June 30, 2022 amounting to Rs.18,505 lakhs (June 30, 2021; Rs.18,505 lakhs) holds 100% shares in Suratgarh Bikaner Toll Road Company Private Limited which has started toll operations effective February 17, 2019. The net worth of the subsidiary does not represent true market value as the value of underlying investments/ assets. based on TEV study report, certain estimates like future business plan, growth prospects and other factors, the management is confident that the realisable amount is higher than the carrying value of non-current assets and therefore considering the investment in the above subsidiary as good and recoverable.
- f. Note 7 regarding the recognition of deferred tax assets (net) on conservative basis as at June 30, 2022 amounting to Rs.1 lakhs (June 30, 2021 Rs.949 lakhs) corresponding to unused brought forward income tax losses pursuant to the provisions of Ind AS 12 "Income Taxes", for which it has convincing evidences viz. opportunities available in area of its core competence, bidding/pre-qualification limit, conducive government policies and market conditions, recovery of pending claims, TEV study and approved Resolution Plan etc., based on which it is inferred that sufficient taxable profit will be available against which unused tax losses can be utilised by the Company.
- g. Note 8 regarding the claims in respect of cost over-runs arising due to client responsibility delays, client's suspension of projects, deviation in design, change in scope of work etc., which are at various stages of negotiation/ discussion with the clients/ arbitration /litigation. The realisability of these claims are estimated by the Company based on contractual terms, historical experience with similar claims as well as legal opinion obtained from internal and external experts, wherever necessary. Revenue in respect of claims is recognised to the extent the Company is reasonably certain of their realisation. Realisation of above claims may be lower than the claims recognized if the Company decides to settle the same out of court in future considering the substantial time involved in litigation. Impact thereof will be considered in the year of such settlement.
- h. Note 12 regarding non provision of interest in view of waiver of interest/ penal interest/ interest on interest/ other panel charges on the delayed payments from the date of NPA till the implementation of the resolution plan by the Working Capital Banks. As the Working Capital Banks are yet to implement the approved Resolution Plan and therefore interest etc. have not accrued to them. Accordingly, no provision for interest amounting to Rs.512 lakhs. (June 30, 2021; Rs.514 lakhs) has been made for the quarter ended June 30, 2022.



The Hon'ble NCLT has passed order dated March 11, 2022 excluding the period from April 18, 2018 to January 18, 2022 from the calculation of the period for implementation of the approved Resolution Plan and all dates mentioned in the Resolution Plan are consequently extended for implementation of the Resolution Plan. An appeal has been filed before the Hon'ble NCLAT against the Order dated March 11, 2022, which is pending adjudication. The ageing of the borrowings has been taken as per the Hon'ble NCLT order and may undergo changes after adjudication.

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

For S A R C & Associates
Chartered Accountants
ICAI Firm Registration No.006085N



Kamal Aggarwal
Partner

Membership No.: 090129

UDIN No.: 22090129ANXNUS5833

Place: New Delhi

Dated: July 30, 2022

