

MBL/2019/142

Dated: 14th February, 2019

The Secretary
BSE Limited
New Trading Wing,
Rotunda Building,
PJ Tower, Dalal Street,
Mumbai- 400001

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

Sir,

Sub: Outcome of Board Meeting

Please note that the Board of Directors of the Company in its meeting held today inter-alia, transacted the following:

- (i) Considered, approved and adopted the Un-Audited Financial Results (both Standalone & Consolidated) for the quarter and nine months ended on 31st December 2018. A copy of the said results along with the Limited Review of M/s SARC & Associates, Chartered Accountants, Statutory Auditors is enclosed as **Annexure-A**.
- (ii) Adopted a revised "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information" effective from 1st April, 2019 pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.
- (iii) In continuation to our letter dated 30th April 2018 and in terms of the amendment made in The Insolvency and Bankruptcy Code, 2016 read with Regulations, the dissenting Bankers will be treated at par with the assenting Banks and the approved Resolution Plan is binding on the dissenting banks also. Accordingly, the Board of Directors of the Company in its meeting held on 14th February 2019 has approved and allotted redeemable secured non-convertible debentures to the dissenting Banks. The brief terms and conditions of the non-convertible debentures are:

Size of the Issue	Rs.307.49 crores																				
Whether proposed to be listed	No.																				
Tenure of Instrument	9.75 years																				
Date of Allotment	14 th February, 2019																				
Date of Maturity	As per the Resolution Plan approved by the Hon'ble NCLT, Kolkata by its order dated 18 th April 2018.																				
Coupon and schedule of payment	0.10% p.a. Payment of interest on quarterly basis.																				
Schedule of payment of Principle Amount	To be redeemed at premium of 10% of the face value at the end of the tenure. Payment of Principle amount in 39 quarterly installments as detailed hereunder: <table border="1" data-bbox="826 1608 1444 1989"> <tr> <td>First 4 quarters</td> <td>0.125% each quarter</td> </tr> <tr> <td>Second 4 quarters</td> <td>0.25% each quarter</td> </tr> <tr> <td>Third 4 quarters</td> <td>0.25% each quarter</td> </tr> <tr> <td>Fourth 4 quarters</td> <td>0.25% each quarter</td> </tr> <tr> <td>Fifth 4 quarters</td> <td>0.50% each quarter</td> </tr> <tr> <td>Sixth 4 quarters</td> <td>1.50% each quarter</td> </tr> <tr> <td>Seventh 4 quarters</td> <td>3.125% each quarter</td> </tr> <tr> <td>Eighth 4 quarters</td> <td>5.50% each quarter</td> </tr> <tr> <td>Ninth 4 quarters</td> <td>6.750% each quarter</td> </tr> <tr> <td>Tenth 3 quarters</td> <td>9.00 % each quarter</td> </tr> </table>	First 4 quarters	0.125% each quarter	Second 4 quarters	0.25% each quarter	Third 4 quarters	0.25% each quarter	Fourth 4 quarters	0.25% each quarter	Fifth 4 quarters	0.50% each quarter	Sixth 4 quarters	1.50% each quarter	Seventh 4 quarters	3.125% each quarter	Eighth 4 quarters	5.50% each quarter	Ninth 4 quarters	6.750% each quarter	Tenth 3 quarters	9.00 % each quarter
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MBL Infrastructures Ltd.

Charge /Security, created	To be created as per the Resolution Plan approved by the Hon'ble NCLT, Kolkata by its order dated 18 th April 2018.
Special Right / Interest /Privileges attached with the Instrument	To be treated as secured Debenture holders on the terms and conditions as per the Resolution Plan approved by the Hon'ble NCLT, Kolkata by its order dated 18 th April 2018.
Delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal.	Not Applicable
Details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets along with its comments thereon, if any;	Not Applicable
Details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issue) and debentures	As per the Resolution Plan approved by the Hon'ble NCLT, Kolkata by its order dated 18 th April 2018.

The meeting commenced at 4.15 pm. and concluded at 6.50 pm.

Please treat this as compliance with Regulation 30 of the Listing Obligations.

Thanking you,
Yours faithfully
For MBL Infrastructures Ltd.


Anubhav Maheshwari
(Company Secretary)

Encl: a/a

MBL Infrastructures Ltd.

Registered & Corporate Office : Baani Corporate One, Suite no. 308, 3rd Floor, Plot No. 5, Commercial Centre, Jasola, New Delhi-110 025
Tel. : +91-11-48593300 - 10, Fax : +91-11-48593320 Email : delhi@mblinfra.com Website : www.mblinfra.com, CIN-L27109DL1995PLC338407

MBL Infrastructures Ltd.

(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 STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(Rs. in Lakhs except earnings per share data)

Particulars	STANDALONE						CONSOLIDATED					
	Quarter Ended		Nine Months Ended		Year Ended		Quarter Ended		Nine Months Ended		Year Ended	
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Unaudited)	31.03.2018 (Audited)
1 Revenue from Operation	2,638	6,157	4,093	14,081	24,912	48,674	2,652	4,117	14,117	25,055	51,070	
2 Other Income	77	3,193	3,038	6,305	3,086	5,861	121	3,040	6,582	3,081	6,600	
3 Total Income (1 + 2)	2,715	9,350	7,131	20,386	27,978	54,535	2,773	7,157	20,709	28,136	57,670	
4 Expenses												
a Cost of Materials Consumed	793	1,625	451	3,242	3,016	3,687	793	451	3,242	3,016	3,687	
b Direct Labour Sub-Contracts etc	973	1,794	3,474	3,554	4,589	6,605	973	3,474	3,554	4,589	6,612	
c Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	
d Changes in inventories of finished goods, work-in-progress and stock in-trade	-	-	-	-	-	-	-	-	-	-	-	
e Employee benefits expense	288	282	198	778	752	858	295	303	824	770	919	
f Finance Costs	(326)	4,070	9,762	8,032	19,574	24,597	(358)	4,247	9,248	19,394	24,986	
g Depreciation and amortisation expense	349	349	408	1,044	1,228	1,461	373	422	1,160	1,331	2,266	
h Other expenses	460	1,129	(256)	2,182	8,416	34,304	136	2,052	2,821	11,431	34,376	
Total Expenses	2,537	9,249	14,037	18,832	37,575	71,512	2,212	10,443	20,849	40,531	72,846	
5 Profit / (Loss) before Exceptional Item and tax (3-4)	178	1,101	(6,906)	1,554	(9,597)	(16,977)	561	(9,776)	(140)	(12,395)	(15,176)	
6 Exceptional Items (Income)	-	-	-	-	-	40,213	-	-	-	-	16,384	
7 Profit/(Loss) before Tax (5+6)	178	1,101	(6,906)	1,554	(9,597)	23,236	561	(9,776)	(140)	(12,395)	1,208	
8 Tax Expense	-	-	-	-	-	-	-	-	-	-	-	
(1) Current Tax	-	-	-	-	-	-	-	-	-	-	-	
(2) Deferred Tax	(3,442)	(624)	(2,150)	(3,857)	(3,314)	(666)	(3,389)	(757)	(3,965)	(4,326)	(707)	
9 Profit / (Loss) for the period (7-8)	3,620	725	(4,756)	5,411	(6,283)	23,902	3,950	(6,427)	3,825	(8,142)	1,909	
10 Other Comprehensive Income												
(i) Items that will not be reclassified to profit & Loss	13	27	8	68	8	91	13	8	68	8	91	
(ii) Income Tax relating to items that will not be reclassified to profit & Loss	(5)	(9)	(3)	(24)	(3)	(31)	(5)	(3)	(24)	(3)	(31)	
Loss	3,628	743	(4,751)	5,455	(6,278)	23,962	3,958	(6,422)	3,869	(8,137)	1,969	
11 Total Comprehensive Income for the period (9 + 10)	-	-	-	-	-	-	-	-	-	-	-	
12 Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	
13												
14 Net Profit / (Loss) after taxes and Non-controlling interest (11+/-12)	3,628	743	(4,751)	5,455	(6,278)	23,962	3,958	(6,449)	3,869	(7,197)	2,328	
15 Paid up equity share capital (Face value of Rs. 10 each)	10,475.46	10,475.46	4,145.46	10,475.46	4,145.46	4,145.46	10,475.46	4,145.46	10,475.46	4,145.46	4,145.46	
Earnings per Equity (EPS) (in Rs.)	4.14	0.85	(11.46)	6.24	(15.14)	(39.20)	4.52	(0.22)	4.38	(17.36)	(34.77)	
a EPS before Exceptional Items (Basic and Diluted) (Rs)	4.14	0.85	(11.46)	6.24	(15.14)	(39.20)	4.52	(0.22)	4.38	(17.36)	(34.77)	
b EPS after Exceptional Items (Basic and Diluted) (Rs)	4.14	0.85	(11.46)	6.24	(15.14)	(39.20)	4.52	(0.22)	4.38	(17.36)	(34.77)	

Answer A

Ajaya & Son

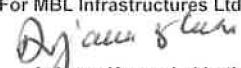


Notes

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

Date: February 14, 2019
Place: New Delhi



For MBL Infrastructures Ltd.

Anjanee Kumar Lakhota
Chairman & Managing Director
DIN 00357695

Ref No: SARC/GGN/102

Limited Review Report

Review Report to

The Board of Directors

MBL Infrastructures Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MBL Infrastructures Ltd.** ('the Company') for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Sec 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principals laid down in the applicable Indian Accounting standards ('Ind AS') specified under section 133



of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. We draw attention to:

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



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

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

For SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



[Kamal Aggarwal]

Partner

Membership No.: 090129

Place: New Delhi

Date: 14 February 2019

Ref No: SARC/GGN/103

Limited Review Report

Review Report to
The Board of Directors
MBL Infrastructures Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MBL Infrastructures Ltd.** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Sec 133 of Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

The Statement includes the result of the financial entities:

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



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

3. Based on our review conducted as above, and on consideration of the reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognized accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 and Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to:
- (a) The Company was under corporate insolvency resolution process under Insolvency and Bankruptcy Code (IBC) 2016. Hon'ble Kolkata bench of National Company Law Tribunal (Hon'ble NCLT) approved the resolution plan vide order dated April 18, 2018. The Powers of the board of directors were suspended during the financial year 2017-18 and were reinstated back on April 19, 2018.
- (b) In forming our opinion on the financial statements, the financial statements are prepared on going concern basis, considering the NCLT order dated April 18, 2018 approving resolution plan.
- (c) Note 3 to the statement, regarding the Company's non current investments of (i) Rs.1,000 Lakhs (March 31, 2018: Rs.1000.00 Lakhs) in MBL MP Road Nirman Company Limited holding 25.14% equity, (ii) Rs.1,200 Lakhs (March 31, 2018: Rs.1200.00 Lakhs) in wholly owned subsidiary AAP Infrastructure Limited and (iii) Rs.5,110 Lakhs (March 31, 2018: Rs.5110.00 Lakhs) in wholly owned subsidiary MBL Highway Development Company Limited, respectively, as at December 31, 2018. The consolidated net worth of the aforesaid companies has been fully eroded; however, based on the claims in respect of substantially closed/suspended projects and considering the contractual tenability, legal advice obtained and current negotiations/discussion/arbitration/litigations. Based on legal opinion/past experience, the management is of the view that aforementioned balances are fully recoverable. Our report is not modified in respect of this matter.
- (d) Note 4 to the statement, regarding the Company's non-current investments of Rs. 2,984.25 Lakhs (March 31, 2018: Rs.1,495.11 Lakhs) in wholly owned subsidiary MBL Projects Limited as at December 31, 2018. The Subsidiary company holds shares in SPV's of 2 Projects which are



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

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

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

For SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



[Kamal Aggarwal]

Partner

Membership No.: 090129

Place: New Delhi

Date: 14 February 2019

