

Date: 14th November, 2019

The Secretary
BSE Limited
New Trading Wing,
Rotunda Building,
PJ Tower, Dalal Street,
Mumbai- 400001
Scrip Code: 533152

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

Sir,

Sub: Outcome of Board Meeting held on 14th November, 2019.

Please note that the Board of Directors of the Company in its meeting held on 14th November, 2019 has inter-alia considered, approved and adopted the Un-audited Financial Results (both Standalone & Consolidated) for the quarter and half-year ended on 30th September, 2019. A copy of the Financial Results (both Standalone & Consolidated) of the Company for the quarter and half year ended on 30th September, 2019 along with Limited review Report of Statutory Auditors thereon and Cash Flow Statement for the half year ended 30th September, 2019 are enclosed.

The meeting commenced at 11:00 A.M. and concluded at 12:05 P.M.

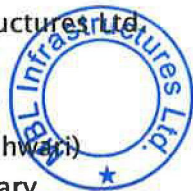
This may be treated as compliance with Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Thanking you.

Yours faithfully,

For MBL Infrastructures Ltd.


(Anubhav Maheshwari)
Company Secretary



Encl. a/a

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 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2019

Particulars	STANDALONE						CONSOLIDATED					
	Quarter Ended		Half Year Ended		Year Ended		Quarter Ended		Half Year Ended		Year Ended	
	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)	30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1 Revenue from Operation	2,809	3,276	6,157	6,085	11,443	14,667	3,289	4,867	6,160	8,136	11,465	15,414
2 Other Income	2,159	2,171	3,193	4,330	6,228	8,165	3,135	2,302	3,315	5,437	6,471	8,685
3 Total Income (1 + 2)	4,968	5,447	9,350	10,415	17,671	22,832	6,404	7,169	9,475	13,573	17,936	24,099
4 Expenses												
a. Cost of Materials Consumed	637	736	1,625	1,373	2,449	4,123	637	736	1,625	1,373	2,449	4,123
b. Direct Labour, Sub-Contracts etc	433	463	1,794	896	2,581	3,013	417	479	1,794	896	2,581	3,057
c. Purchase of stock-in-trade	-	-	-	-	-	-	-	-	-	-	-	-
d. Changes in inventories of finished goods, work-in-progress and stock-in-trade.	-	-	-	-	-	-	-	-	-	-	-	-
e. Employee benefits expense	182	230	282	412	490	916	309	355	303	664	529	1,050
f. Finance Costs	2,593	2,756	4,070	5,349	8,358	10,603	4,368	4,393	4,247	8,761	9,606	12,540
g. Depreciation and amortisation expense	361	359	349	720	1,165	1,450	1,165	1,165	422	2,200	787	1,980
h. Other expenses	455	403	1,129	858	1,722	2,579	846	602	2,052	1,448	2,685	3,532
Total Expenses	4,661	4,947	9,249	9,608	16,295	22,684	7,612	7,730	10,443	15,342	18,637	26,282
5 Profit / (Loss) before Exceptional Item and tax (3- 4)	307	500	101	807	1,376	148	(1,208)	(561)	(968)	(1,769)	(701)	(2,183)
6 Exceptional Items (Income)	-	-	-	-	-	(28,371)	-	-	-	-	-	(28,371)
7 Profit/(Loss) before Tax (5+6)	307	500	101	807	1,376	(28,223)	(1,208)	(561)	(968)	(1,769)	(701)	(30,554)
8 Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-
(1) Current Tax	-	-	-	-	-	-	-	-	-	-	-	-
(2) Deferred Tax	(334)	83	(624)	(251)	(415)	(4,099)	(59)	(182)	(757)	(240)	(576)	(4,167)
9 Profit / (Loss) for the period (7-8)	641	417	725	1,058	1,791	(24,124)	(1,150)	(379)	(211)	(1,529)	(125)	(26,387)
10 Other Comprehensive Income	3	3	27	6	55	13	3	3	27	6	55	13
(i) Items that will not be reclassified to profit & Loss	(1)	(1)	(9)	(2)	(19)	(4)	(1)	(1)	(9)	(2)	(19)	(4)
(ii) Income Tax relating to items that will not be reclassified to profit & Loss	2	2	18	4	36	9	2	2	18	4	36	9
11 Total Other Comprehensive Income for the period (10)	643	419	743	1,062	1,827	(24,115)	(1,148)	(377)	(193)	(1,525)	(89)	(26,378)
12 Total Comprehensive Income for the period (9 + 10)	641	417	725	1,058	1,791	(24,124)	(1,150)	(379)	(211)	(1,529)	(125)	(26,387)
13 Other Comprehensive Income for the period attributable to	-	-	-	-	-	-	-	-	-	-	-	-
- Owners of the Company	2	2	18	4	36	9	2	2	18	4	36	9
- Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
14 Total Comprehensive Income for the period attributable to	643	419	743	1,062	1,827	(24,115)	(1,148)	(377)	(193)	(1,525)	(89)	(26,378)
- Owners of the Company	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46	10,475.46
- Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
15 Paid up equity share capital (Face value of Rs. 10 each)	-	-	-	-	-	61,543	-	-	-	-	-	38,662
16 Other Equity	0.61	0.40	0.85	1.01	2.09	4.87	(1.31)	(0.36)	(0.22)	(1.46)	(0.10)	2.28
17 Earnings per Equity (EPS) (in Rs.)	0.61	0.40	0.85	1.01	2.09	27.60	(1.31)	(0.36)	(0.22)	(1.46)	(0.10)	(30.19)
a. EPS before Exceptional Items (Basic and Diluted) (Rs.)												
b. EPS after Exceptional Items (Basic and Diluted) (Rs.)												



Particulars	STANDALONE		CONSOLIDATED	
	As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)	As at 30.09.2019 (Unaudited)	As at 31.03.2019 (Audited)
A ASSETS				
(1) Non-Current assets				
(a) Property, plant and equipments	12,320	13,037	12,331	13,037
(b) Goodwill	-	-	1,500	1,500
(c) Other intangible assets	-	-	80,417	81,898
(d) Intangible assets under development	-	-	431	-
(e) Financial assets				
(i) Investment	30,307	30,307	1	1
(ii) Trade receivables	105,987	99,611	109,994	103,767
(iii) Others	215	215	829	1,591
(f) Deferred tax assets (net)	7,366	7,117	7,424	7,178
(g) Other non current assets	57,534	61,519	57,661	61,909
Total Non current assets	213,729	211,806	270,588	270,881
(2) Current assets				
(a) Inventories	560	578	560	578
(b) Financial assets				
(i) Investment	-	-	-	-
(ii) Trade receivables	7,398	8,748	8,692	9,570
(iii) Cash and cash equivalents	504	366	910	461
(iv) Other Bank Balance	2	2	6	6
(v) Others	4,361	4,917	3,444	1,883
(c) Other current assets	12,824	12,774	13,404	12,959
(d) Current tax assets (net)	-	-	-	-
Total Current assets	25,649	27,385	27,016	25,457
Total Assets	239,378	239,191	297,604	296,338
B EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	10,475	10,475	10,475	10,475
(b) Other equity	62,606	61,543	37,138	38,655
Equity attributable to owners of the parent	73,081	72,018	47,613	49,130
Non-controlling interest	-	-	2	-
Total Equity	73,081	72,018	47,615	49,130
(2) Liabilities				
Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	87,381	87,425	134,580	136,594
(ii) Trade payables	-	-	-	-
-Total outstanding dues of micro/small enterprises	-	-	-	-
-Others	3,528	3,209	3,528	3,209
(iii) Other financial liability	287	261	287	261
(b) Provisions	78	73	78	73
(c) Deferred tax liabilities (net)	-	-	-	-
(d) Other non current liabilities	50,382	48,111	50,382	48,111
(e) Non Current Tax Liabilities (net)	2,601	2,627	2,620	2,646
Total Non current liabilities	144,257	141,706	191,475	190,894
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	8,402	8,355	9,646	10,686
(ii) Trade payables				
-Total outstanding dues of micro/small enterprises	-	-	-	-
-Others	5,784	5,784	6,211	6,224
(iii) Other financial liability	1,594	1,754	12,583	10,669
(b) Other current liabilities	6,003	9,317	29,817	28,478
(c) Provisions	257	257	257	257
(d) Current Tax Liabilities (net)	-	-	-	-
Total Current liabilities	22,040	25,467	58,514	56,314
Total Equity & Liabilities	239,378	239,191	297,604	296,338



Statement of Cash Flow for the half year ended September 30, 2019

(Rs. in Lakhs)

DESCRIPTION	STANDALONE		CONSOLIDATED	
	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)
A. Cash flow from Operating Activities				
Net Profit/(Loss) Before Tax & Exceptional Items	807	1,376	(1,769)	(701)
Adjustment for:				
Depreciation & Amortisation expenses	720	695	2,200	787
Loss on Currency Transaction & Translation	-	-	220	1,325
Finance cost (Including fair value change in financial instruments)	5,349	8,358	8,761	9,144
Interest Income (Including fair value change in financial instruments)	(4,321)	(6,228)	(4,522)	(6,471)
Operating profit before working capital changes	2,555	4,201	4,890	4,084
Adjustment for:				
(Increase) / Decrease in Inventories	18	(133)	18	(133)
(Increase) / Decrease in Trade Receivables	(1,008)	(7,677)	(5,349)	(11,180)
(Increase)/ Decrease in other current and non-current Financial Assets	577	461	3,443	4,072
Decrease/ (Increase) in Loans	-	3,783	-	-
Decrease/ (Increase) in other current and non-current Assets	(1,028)	2,214	(1,184)	(69)
Increase/ (decrease) in current and non-current trade payables	1	(1,881)	(14)	1,710
Increase/ (decrease) in other current and non-current Financial Liabilities	(154)	(3,638)	(76)	(3,730)
Increase/ (decrease) in other current and non-current Liabilities & Provisions	(317)	5,356	669	3,681
Cash Inflow from Operating Activities Before Exceptional Items	644	2,686	2,397	(1,565)
Exceptional items - Gain/(Loss)	-	-	-	-
Income Tax (Advance) (Net)	(26)	(67)	(26)	(76)
Net Cash Inflow from Operating Activities	618	2,619	2,371	(1,641)
B. Cash flow from Investing Activities				
Capital Expenditure (Acquisition)/Disposal of investment in subsidiary	(3)	(8)	(444)	(4,925)
Deposit with original maturity more than three months but less than twelve months	-	(8,467)	-	73
Interest Received	-	-	-	1
Net Cash Inflow from Investing Activities	(3)	(8,475)	(444)	(4,851)
C. Cash flow from Financing Activities				
Proceeds from issue of Share Capital	-	6,330	-	6,330
Change due to acquisition/disposal of control in subsidiary	-	-	2	(1,128)
Proceeds from / (Repayment of) Long Term Borrowings (net)	(124)	-	(220)	(384)
Proceeds from / (Repayment of) Short Term Borrowings (net)	-	(219)	(1,085)	1,887
Interest and Finance Charges Paid	(41)	(2)	(175)	(2)
Net Cash Outflow from Financing Activities	(165)	6,109	(1,478)	6,703
Net Changes in Cash & Cash Equivalents (A+B+C)	450	253	449	211
Cash & Cash Equivalents (Closing Balance) (Including Book overdraft)	504	669	910	722
Cash & Cash Equivalents (Opening Balance) (Including Book overdraft)	54	416	461	511
Net Changes in Cash & Cash Equivalents	450	253	449	211

Note:-

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.



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 and March 29, 2019. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 14, 2019. The same have also been subjected to Limited Review by the Statutory Auditors.
- 2 The Resolution Plan under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) was approved by Hon'ble National Company Law Tribunal, Kolkata (Hon'ble NCLT, Kolkata) by its order dated April 18, 2018. The appeals filed by some of the banks have been dismissed by Hon'ble NCLAT by its order dated August 16, 2019 and the Resolution Plan has been upheld. The financial statements, have been prepared on going concern basis.
- 3 The Company as at September 30, 2019 has (i) Non-Current Investment amounting to Rs.1,000.00 Lakhs (March 31, 2019; Rs.1,000.00 Lakhs) in its subsidiary MBL (MP) Road Nirman Company Limited in which the 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, 2019; Rs.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, 2019; Rs.5,110.00 Lakhs) in its wholly owned subsidiary MBL Highway Development Company Limited. All the above entities have incurred losses due to cancellation of projects and net worth of above entities as at September 30, 2019 have been fully eroded and accordingly the net worth of these subsidiaries do not represent true market value. Claims have been filed against the 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 above subsidiary as good and recoverable.
- 4 The Company as at September 30, 2019 has Non Current Investment amounting to Rs.2,984.25 Lakhs (March 31, 2019; Rs.2,984.25 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 above subsidiary as good and recoverable.
- 5 The Company as at September 30, 2019 has Non Current Investment amounting to Rs.18,505.23 Lakhs (March 31, 2019; Rs. 18,505.23 Lakhs) holds 99.99% shares in Suratgarh Bikaner Toll Road Company Private Limited which has started toll operations effective February 17, 2019. The net worth of Suratgarh Bikaner Toll Road Company Private Limited 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 above subsidiary as good and recoverable.
- 6 Pursuant to the provisions of Ind AS 12 "Income Taxes", 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 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.
- 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 The company has applied Ind AS 116 "Leases" with effect from April 1, 2019 and recognised leases as per the requirements of Ind AS. The effect of this adoption on profit after tax for the quarter ended September 30, 2019 is not material.
- 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 amounting to Rs 494.74 Lakhs and Rs1095.79 lakhs has been made for the quarter ended September 30, 2019 and half year ended 30th September 2019 respectively.
- 11 The Company's operations consist of construction/project activities and there are no other reportable segments under Indian Accounting Standard 108 - Operating
- 12 Figures for the previous period/quarter have been reworked/regrouped/recasted, wherever considered necessary.
- 13 All figures are in lakhs except earnings per share and figures in () denote negative/decrease.

Date: November 14, 2019

Place: New Delhi



For MBL Infrastructures Ltd.

Anjaneer & Lakhota
Anjaneer Kumar Lakhota
Chairman & Managing Director
DIN 00357695

SARC/VK/004

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of MBL Infrastructures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 and six months ended September 30, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of 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 Board of Directors in its meeting held on November 14, 2019, 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 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 Companies Act, 2013 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 SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, to the extent applicable.



Attention is drawn to the fact that the condensed statement of cash flows for the corresponding six months ended September 30, 2018 as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. Based on our review conducted and procedures performed as stated in paragraph 3 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 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 financial results:

- a. The Resolution Plan under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) was approved by Hon'ble National Company law Tribunal, Kolkata (Hon'ble NCLT, Kolkata) by its order dated April 18, 2018. The appeals filed by some of the banks have been dismissed by Hon'ble NCLAT by order dated August 16, 2019 and the Resolution Plan has been upheld.
- b. In forming our opinion on the financial results, the financial results are prepared on going concern basis, considering the NCLT order dated April 18, 2018 approving resolution plan.
- c. Note No.3 regarding the Parent as at September 30, 2019 has (i) Non-Current Investment amounting to Rs.1,000.00 Lakhs (March 31, 2019; Rs.1,000.00 Lakhs) in its subsidiary MBL (MP) Road Nirman Company Limited in which the Parent 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, 2019; Rs.1,200.00 Lakhs) in its wholly owned subsidiary AAP Infrastructures Limited; (iii) Non-Current Investment amounting to Rs.5,110.00 Lakhs (March 31, 2019; Rs.5,110.00 Lakhs) in its wholly owned subsidiary MBL Highway Development Company Limited. All the above entities have incurred losses due to cancellation of projects and net worth of above entities as at September 30, 2019 have been fully eroded and accordingly the net worth of these subsidiaries do not represent true market value. Claims have been filed against the 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 above subsidiaries as good and recoverable.

- d. Note No.4 regarding the Parent as at September 30, 2019 has Non-Current Investment amounting to Rs.2,984.25 Lakhs (March 31, 2019; Rs.2,984.25 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/ suspended. 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 above subsidiary as good and recoverable.
- e. Note No.5 regarding the Company as at September 30, 2019 has Non-Current Investment amounting to Rs.18,505.23 Lakhs (March 31, 2019; Rs.18,505.23 Lakhs) holds 99.99% shares in Suratgarh Bikaner Toll Road Company Private Limited, which has capitalised the entire amount spent till date and commenced commercial operations (toll collection) w.e.f. February 17, 2019. The net worth of Suratgarh Bikaner Toll Road Company Private Limited 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 above subsidiary as good and recoverable.

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

For SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



Kamal Aggarwal

Partner

Membership No.: 090129

Place: New Delhi

Dated: November 14, 2019



UDIN No.: 19090129AAAAAE7295

SARC/VK/005

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of MBL Infrastructures Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter and six months ended September 30, 2019 (“the Statement”), being submitted by the Parent 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 Parent’s Management and approved by the Parent’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 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 Parent’s 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 Companies Act, 2013 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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Attention is drawn to the fact that the condensed statement of cash flows for the corresponding six months ended September 30, 2018 as reported in the accompanying



Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. The Statement includes the financial results of the entities listed in Annexure A.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, and based on the consideration of the review reports of the other auditors referred 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 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 financial results:

- a. The Resolution Plan under the Insolvency & Bankruptcy Code, 2016 (IBC, 2016) was approved by Hon'ble National Company law Tribunal, Kolkata (Hon'ble NCLT, Kolkata) by its order dated April 18, 2018. The appeals filed by some of the banks have been dismissed by Hon'ble NCLAT by order dated 16.08.2019 and the Resolution Plan has been upheld.
- b. In forming our opinion on the financial results, the financial results are prepared on going concern basis, considering the NCLT order dated April 18, 2018 approving resolution plan.
- c. Note No.3 regarding the Parent as at September 30, 2019 has (i) Non-Current Investment amounting to Rs.1,000.00 Lakhs (March 31, 2019; Rs.1,000.00 Lakhs) in its subsidiary MBL (MP) Road Nirman Company Limited in which the Parent 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, 2019; Rs.1,200.00 Lakhs) in its wholly owned subsidiary AAP Infrastructures Limited; (iii) Non-Current Investment amounting to Rs.5,110.00 Lakhs (March 31, 2019; Rs.5,110.00 Lakhs) in its wholly owned subsidiary MBL Highway Development Company Limited. All the above entities have incurred losses due to cancellation of projects and net worth of above entities as at September 30, 2019 have been fully eroded and accordingly the net worth of these subsidiaries do not represent true market value. Claims have been filed against the 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 above subsidiaries as good and recoverable.

- d. Note No.4 regarding the Parent as at September 30, 2019 has Non-Current Investment amounting to Rs.2,984.25 Lakhs (March 31, 2019; Rs.2,984.25 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 above subsidiary as good and recoverable.
- e. Note No.5 regarding the Parent as at September 30, 2019 has Non-Current Investment amounting to Rs.18,505.23 Lakhs (March 31, 2019; Rs.18,505.23 Lakhs) holds 99.99% shares in Suratgarh Bikaner Toll Road Company Private Limited, which has capitalised the entire amount spent till date and commenced commercial operations (toll collection) w.e.f. February 17, 2019. The net worth of Suratgarh Bikaner Toll Road Company Private Limited 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 above subsidiary as good and recoverable.

Our opinion is not modified in respect of these matters.

Auditors of one of the subsidiary company Suratgarh Bikaner Toll Road Company Private Limited in his report on financial results for the quarter ended September 30, 2019 have drawn emphasis of matter paragraphs and incorporated by us as under:

- a) Reconciliations and confirmation of loan liabilities being account classified as Non-Performing Assets (NPA) by the Banks as on September 30, 2019, however in Ind-AS Financial Statements, the same is shown both under Short term & Long term borrowings on the basis of original Sanction letter.
- b) Reliance has been placed on TEV study conducted by external agency and accordingly in the opinion of the management, there is no impairment of assets as on September 30, 2019 and there is no doubt on Company's ability to continue as a going concern.

Our Opinion is not qualified in respect of this matter



7. We did not review the interim financial results of 8 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total assets of Rs.91,813 Lakhs as at September 30, 2019, total revenue of Rs.2,044 Lakhs and Rs.4,000 Lakhs, total profit/(loss) after tax (net) of (Rs.1,791 Lakhs) and (Rs.2,587 Lakhs) and total comprehensive income (net) of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2019 respectively and net cash outflows of Rs.0.01 Lakh for the six months ended September 30, 2019, as considered in the consolidated unaudited 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 SARC & Associates

Chartered Accountants

ICAI Firm Registration No.006085N



Kamal Aggarwal

Partner

Membership No.: 090129

Place: New Delhi

Dated: November 14, 2019



UDIN No.: 19090129AAAAAF1418

Annexure 1

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	Subsidiary
MBL (MP) Road Nirman Company Limited	Subsidiary
MBL (Udaipur Bypass) Road Limited	Subsidiary

