

McNally Bharat Engineering Company Limited

CIN : L45202WB1961PLC025181
Ecospace Campus 2B 11F/12 (Old Plot No. AA II/Blk 3)
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May 30, 2019

Bombay Stock Exchange Limited
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Dear Madam/Sir,

Sub: Financial Results

We would like to inform you that the Board of Directors at their meeting held on date, i.e. May 30, 2019, has approved the following : —

- i) Audited Standalone Financial Results for the Quarter and Year ended March 31, 2019 and the Auditor's Report thereon in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (copy attached)
- ii) Statement on impact of Audit Qualifications of the Company for the Financial Year ended March 31, 2019. (copy attached)

The Board decided that in absence of profit for the current Financial year 2018-19, the Board of Directors could not recommend any dividend on Equity and / or Preference Shares for the year ended March 31, 2019.

Thanking You,

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

Indranil Mitra
Company Secretary

Encl : As above

DELOITTE HASKINS & SELLS LLP
Chartered Accountants
13th and 14th Floor, Building – Omega
Bengal Intelligent Park
Block – EP & GP
Sector V, Salt Lake City,
Kolkata - 700091
West Bengal, India.

V. SINGHI & ASSOCIATES
Chartered Accountants
Four Mangoe Lane,
Surendra Mohan Ghosh Sarani,
Kolkata – 700001
West Bengal, India.

INDEPENDENT AUDITORS' REPORT ON ANNUAL STANDALONE FINANCIAL RESULTS OF MCNALLY BHARAT ENGINEERING COMPANY LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**TO THE BOARD OF DIRECTORS OF
McNALLY BHARAT ENGINEERING COMPANY LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **McNALLY BHARAT ENGINEERING COMPANY LIMITED** ("the Company"), for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. **Management's Responsibility**

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related condensed standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such condensed standalone Ind AS financial statements.

3. **Auditors' Responsibility**

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall



presentation of the Statement. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our adverse audit opinion.

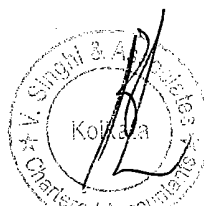
4. Material uncertainty related to Going Concern

We draw attention to note 4 of the statement, the Company has incurred net loss of Rs. 46,599.85 Lakhs during the year ended March 31, 2019, and current liabilities exceed current assets by Rs. 11,544.96 Lakhs as on March 31, 2019. During the year ended March 31, 2019, the Company was unable to discharge its obligations for repayment of loans and settlement of other financial and non-financial liabilities including statutory liabilities. The Company's management is currently in discussion with the lenders for carrying out a debt restructuring proposal. These events and conditions indicate a material uncertainty which cast a significant doubt on the Company's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The ability of the Company to continue as a going concern is solely dependent on the acceptance of the debt restructuring proposal, which is not wholly within the control of the Company.

The Management of the Company has prepared the statement on going concern basis based on their assessment of the successful outcome of the restructuring proposal and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation/classification in the Balance Sheet. Our opinion is not modified in respect of this matter.

5. Basis of Adverse Opinion

- (i) The Company has recognised deferred tax assets amounting to Rs. 51,706.60 Lakhs as at March 31, 2019. Considering the material uncertainty related to going concern that exists in the Company, the threshold of reasonable certainty for recognising the deferred tax assets as per Ind AS 12- Income Taxes has not been met. Consequently deferred tax assets is overstated and losses for the year is understated by Rs. 51,706.60 Lakhs and accumulated deficit is understated by Rs. 51,706.60 Lakhs.
- (ii) We draw attention to note no 5 to the statement which relates to the recognition of Fair Value Gain amounting to Rs 87,482.00 Lakhs in Other Equity on deferment of payment of amounts received from certain Companies on conversion of those amounts into interest free long term loans. We are unable to obtain sufficient and appropriate audit evidence to substantiate the contractual validity of the transaction and the accounting treatment in the Standalone Financial Results.
Further interest expense during the year on the aforementioned amounts up to the date of conversion aggregating to Rs 9,216.88 Lakhs has not been recognised in the statement of profit and loss.
- (iii) Trade receivables and other financial assets includes certain old balances related to completed projects amounting to Rs. 8,785.37 Lakhs which are outstanding for more than two years and are unconfirmed and claims recoverable [representing bank guarantees invoked by customers] amounting to Rs. 14,461.21 Lakhs resulting from alleged performance default events and hence doubtful of recovery. We are unable to comment upon the recoverability of these balances.



- (iv) We draw attention to the Note 7 of the statement regarding waiver of recovery of excess managerial remuneration amounting to Rs. 220.09 Lakhs (Rs. 220.03 Lakhs for the year ended March 31, 2018) paid/payable to the Managing Director for which the Company is in the process of obtaining approval from the banks to whom default in repayment of dues was made and from the shareholders of the Company in terms of section 197(17) of the Act. Pending approval from the banks and from the shareholders of the Company, we are unable to comment on the consequential effect of the matter on this Standalone Statement.
This matter was also qualified by us in the report for the financial year ended March 31, 2018.

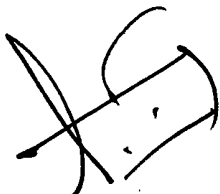
6. Adverse Opinion:

In our opinion and to the best of our information and according to the explanations given to us, read with Management's assessment of going concern assumptions and the reasons for making any adjustments to the carrying values or classification of assets and liabilities as more fully explained in the Material Uncertainty relating to Going Concern above and because of the significance of the matter discussed in the paragraph 5 above, the Statement:

- (i) is not presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) does not give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net loss and other financial information of the Company for the year ended March 31, 2019.
7. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figures between audited figures in respect of the current full financial year ended March 31, 2019 and the published year to date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year which were subject to limited review by us.

Deloitte Haskins & Sells LLP

Firm Registration Number: 117366W/ W-100018
Chartered Accountants



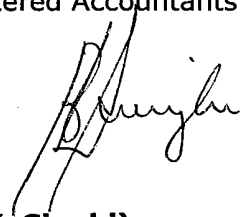
(A. Bhattacharya)
Partner
Membership No.054110

Date: 30th May, 2019
Place: Kolkata



V. Singhi & Associates

Firm Registration Number: 311017E
Chartered Accountants



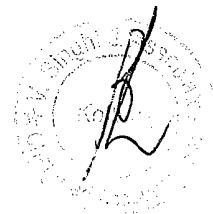
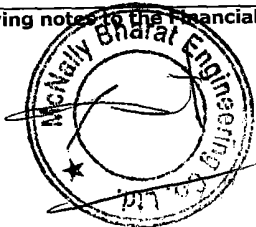
(V. K. Singhi)
Partner
Membership No.050051



(Rs. in Lakhs, unless otherwise stated)

Particulars	For The Three months ended			For The Year ended	
	31 March 2019	31 December 2018	31 March 2018	31 March 2019	31 March 2018
	Audited	Unaudited	Audited	Audited	Audited
1 Revenue from operations					
(a) Net sales/ Income from operations	19,564.67	27,036.00	36,774.72	1,51,585.20	1,43,061.72
(b) Other operating revenue	124.83	64.41	96.20	251.48	254.20
Total income from operations (net)	19,689.50	27,100.41	36,870.92	1,51,836.68	1,43,315.92
2 Other income	2,790.38	3,289.74	4,991.93	24,573.53	15,902.71
3 Total income (1+2)	22,479.88	30,390.15	41,862.85	1,76,410.21	1,59,218.63
4 Expenses					
(a) Cost of materials consumed	11,425.38	27,816.69	8,314.05	1,10,560.88	84,948.62
(b) Outsourcing expenses to job workers	11,353.10	9,216.49	16,115.73	41,200.06	45,007.10
(c) Excise duty	-	-	-	-	57.16
(d) Employee benefits expense	2,360.48	2,418.89	2,232.52	9,657.21	9,796.93
(e) Finance costs	7,578.93	6,987.80	14,070.62	36,704.17	50,235.54
(f) Depreciation and amortisation expense	243.48	250.80	328.66	1,058.57	1,461.92
(g) Other expenses	6,752.93	3,029.43	6,929.36	23,829.18	23,649.57
Total expenses	39,714.30	49,720.10	47,990.94	2,23,010.07	2,15,156.84
5 Profit / (Loss) before tax (3-4)	(17,234.42)	(19,329.95)	(6,128.09)	(46,599.86)	(55,938.21)
6 Tax expenses:					
(a) Current tax	-	-	-	-	-
(b) Deferred tax	-	-	(1,690.96)	-	(13,393.30)
7 Profit / (Loss) for the period/year (5-6)	(17,234.42)	(19,329.95)	(4,437.13)	(46,599.86)	(42,544.91)
8 Other Comprehensive Income					
(a) Items that will not be reclassified to profit or loss	(29.52)	(25.27)	(65.32)	(105.32)	(101.07)
Total other comprehensive income (net of income tax)	(29.52)	(25.27)	(65.32)	(105.32)	(101.07)
9 Total comprehensive income for the period/year (7+8)	(17,263.94)	(19,355.22)	(4,502.45)	(46,705.19)	(42,645.98)
10 Paid up equity share capital (Face value of the share Rs.10 each)	17,215.18	17,215.18	15,804.46	17,215.18	15,804.46
11 Reserve excluding revaluation reserve	-	-	-	31,948.52	(7,792.74)
12 Earnings Per Share (of Rs. 10/- each) (not annualised):					
Basic	(8.12)	(9.11)	(3.12)	(21.97)	(30.17)
Diluted	(8.12)	(9.11)	(3.12)	(21.97)	(30.17)

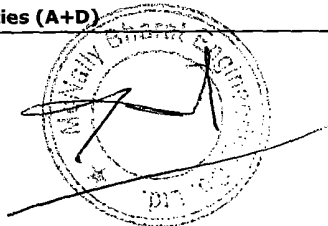
Also refer accompanying notes to the Financial Results.



Statement of Standalone Audited Assets and Liabilities as at 31 March, 2019

(All figures in Rs. Lakhs, unless otherwise stated)

Particulars	As at 31 March 2019 (Audited)	As at 31 March 2018 (Audited)
I. ASSETS		
Non-current Assets		
Property, plant and equipment	4,106.82	5,157.14
Capital work-in-progress	462.48	462.48
Other Intangible assets	49.96	50.18
Financial assets		
i. Investments	18,030.29	48,545.17
ii. Other financial assets	2,497.52	202.39
Deferred tax assets	51,706.60	51,706.60
Other non-current assets	21.90	229.48
A. Total Non-current Assets	76,875.57	1,06,353.44
Current Assets		
Inventories	7,314.90	8,974.02
Financial Assets		
i. Trade receivables	1,67,705.42	1,71,059.83
ii. Cash and cash equivalents	3,591.97	9,106.88
iii. Bank balances other than (ii) above	4,355.77	2,517.23
iv. Loans receivables	1,487.40	1,815.01
v. Other financial assets	34,302.84	1,44,246.43
Current tax assets (net)	5,564.84	11,470.80
Other current assets	41,524.29	38,075.56
B. Total Current Assets	2,65,847.43	3,87,265.76
C. Total Assets (A+B)	3,42,723.00	4,93,619.20
II. EQUITY AND LIABILITIES		
Equity		
Equity share capital	17,215.18	15,804.46
Other Equity		
Compulsorily Convertible Preference Shares	3,941.90	5,352.62
Money received against share warrants	100.00	100.00
Reserves and surplus (Refer note-5)	31,948.52	(7,792.70)
A. Total Equity	53,205.60	13,464.38
LIABILITIES		
Non-current Liabilities		
Financial Liabilities		
i. Borrowings (Refer note-5)	11,110.96	-
ii. Other Financial Liabilities	438.71	365.63
Provisions	575.34	621.33
B. Total Non-current Liabilities	12,125.01	986.96
Current Liabilities		
Financial Liabilities		
i. Borrowings	1,82,654.73	3,05,811.61
ii. Trade payables		
Total outstanding dues of Micro and Small enterprises	507.38	177.76
Total outstanding dues of creditors other than Micro and Small enterprises	50,764.24	84,518.92
iii. Other Financial Liabilities	10,315.46	28,312.49
Other Current Liabilities	32,927.64	60,165.71
Provisions	222.94	181.37
C. Total Current Liabilities	2,77,392.39	4,79,167.86
D. Total Liabilities (B+C)	2,89,517.40	4,80,154.82
E. Total Equity and Liabilities (A+D)	3,42,723.00	4,93,619.20



The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 30 May, 2019.

The Company is primarily engaged in the business of construction and hence no separate disclosure has been made for Segment Reporting as per Ind AS 108-Operating Segments.

The company's financial performance have been adversely affected due to downturn of the infrastructure and core sector, working capital constraints and external factors beyond the Company's control due to which the company has not been able to meet its financial commitments /covenants to lenders and various other stakeholders. The Company has submitted its resolution plan to its lenders who are actively considering the resolution process outside National Company Law Tribunal. The Company has initiated various processes as specified under the Reserve of Bank of India's guidelines (which was withdrawn vide judgement of honourable supreme court of India on 2nd April, 2019) and most of these processes have already been completed including scenario based rating by CRISIL, external credit rating agency. On the basis of these developments, the Company is hopeful that the restructuring proposal of the company will be approved shortly. Additionally, the company is taking various measures, including cost cutting, which shall improve its operational efficiencies. The Management is confident that with the lenders support on the Resolution, and various other measures, the company will be able to generate sufficient cash flows through profitable operations improving its net worth and net working capital to discharge its short term and long term liabilities. Hence, financial statement have been prepared on a going concern basis.

During the quarter ended 31 March, 2019 in the course of on going restructuring process with the lenders, the Company has deferred repayment and converted the amount received from certain companies aggregating to Rs. 98,592.96 lacs, into interest free long term loans /ICDs, repayable in five equated annual instalments commencing after the payment of lender obligation. Fair valuation gain of Rs. 87,482.00 lacs arising out of aforesaid transaction has been considered as part of "Other Equity" and Rs. 11,110.96 lacs has been considered as Long term Borrowings.

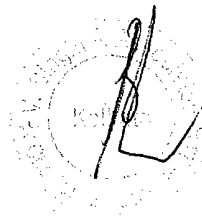
Board has decided to recover the excess remuneration paid / payable amounting to Rs. 40.82 lacs to erstwhile one whole time director for the financial year ended 31 March, 2018, superseding its earlier decision and approval of Shareholders of the Company for waiver. The Company would initiate steps for necessary approval for recovery of such amount. The Company is in the process of obtaining necessary approvals for the same.

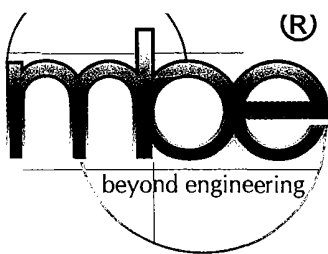
In respect of waiver of recovery of excess remuneration paid / payable amounting to Rs. 220.09 lacs and Rs. 220.03 lacs to the Managing Director for the financial year ended 31 March, 2019 and 31 March, 2018 respectively, the Company is in the process of obtaining approval from the concerned banks and from the shareholders of the Company in terms of section 197(17) of the Act.

This matter was also qualified by Joint Statutory Auditors of the Company in their audit report for the financial year ended 31 March, 2018, review report for the Quarter ended 30 June, 2018, 30 September, 2018 and 31 December, 2018.

- During the current year, the Company has sold 475,200 Equity Shares i.e. its entire equity shareholding of 60% of the total equity share capital and 12,47,004 Debentures of its subsidiary, Vedica Sanjeevani Projects Private Limited at a profit of Rs. 10,211.49 lacs, which is included in Other Income.
- Project business is subject to quarter to quarter variations and one quarter's performance in isolation does not necessarily indicate full year's performance.
- The Ministry of Corporate Affairs (MCA), on 28 March, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2018. The new standard is effective from accounting periods beginning on or after 1 April, 2018. The Company has adopted the standard using the modified retrospective approach. The adoption of the standard did not have any significant impact to the financial results of the Company for the quarter and year ended 31 March 2019
- The figures for the three months ended 31 March, 2019 and corresponding three months ended 31 March, 2018 are the balancing figures between the audited figures in respect of the full financial year and the year to date unaudited figures for the nine months of the respective financial years.
- Figures for the previous quarters / periods have been regrouped / rearranged wherever considered necessary.


(SRINIVASH SINGH)
MANAGING DIRECTOR
DIN-00789624





McNally Bharat Engineering Company Limited

CIN : L45202WB1961PLC025181

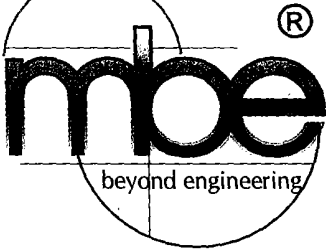
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Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]			
Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lakhs)
I	1 Total Income	1,76,410.21	1,76,410
	2 Total Expenditure	2,23,010.07	2,27,963
	3 Net Profit/(Loss)	-46,705.19	-1,21,658
	4 Earnings Per Share	-21.97	-57
	5 Total Assets	3,42,723.00	2,67,770
	6 Total Liabilities	3,42,723.00	4,30,205
	7 Net Worth	53,205.60	-1,09,230
	8 Any other financial item(s) (as felt appropriate by the management)	-	-
II	Audit Qualification (each audit qualification separately):		
	a. Details of Audit Qualification:	<p>(i) The Company has recognised deferred tax assets amounting to Rs. 51,706.60 Lakhs as at 31 March 2019. Considering the material uncertainty related to going concern that exists in the Company, the threshold of reasonable certainty for recognising the deferred tax assets as per Ind AS 12- Income Taxes has not been met. Consequently deferred tax assets is overstated and losses for the year is understated by Rs. 51,706.60 Lakhs and accumulated deficit is understated by Rs. 51,706.60 Lakhs.</p> <p>(ii) We draw attention to note no 5 to the statement which relates to the recognition of Fair Value Gain amounting to Rs 87,482.00 Lakhs in Other Equity on deferment of payment of amounts received from certain Companies on conversion of those amounts into interest free long term loans. We are unable to obtain sufficient and appropriate audit evidence to substantiate the contractual validity of the transaction and the accounting treatment in the Standalone Financial Results. Further interest expense during the year on the aforementioned amounts up to the date of conversion aggregating to Rs 9216.88 Lakhs has not been recognised in the statement of profit and loss.</p> <p>(iii) Trade receivables and other financial assets includes certain old balances related to completed projects amounting to Rs. 8,785.37 Lakhs which are outstanding for more than two years and are unconfirmed and claims recoverable [representing bank guarantees invoked by customers] amounting to Rs. 14,461.21 Lakhs resulting from alleged performance default events and hence doubtful of recovery. We are unable to comment upon the recoverability of these balances.</p> <p>(iv) We draw attention to the Note 7 of the statement regarding waiver of recovery of excess managerial remuneration amounting to Rs. 220.09 Lakhs (Rs. 220.03 Lakhs for the year ended March 31, 2018) paid/payable to the Managing Director for which the Company is in the process of obtaining approval from the banks to whom default in repayment of dues was made and from the shareholders of the Company in terms of section 197(17) of the Act. Pending approval from the banks and from the shareholders of the Company, we are unable to comment on the consequential effect of the matter on this Standalone Statement. This matter was also qualified by us in the report for the financial year ended March 31, 2018.</p>	
	b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Adverse Opinion	
	c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	(i), (ii) and (iii) First time (iv) Repetitive	
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	<p>(i) The company is undergoing debt resolution plan with the lenders which will make the Company viable and bring reasonable certainty related to going concern. Since the Company has maintained the accounts under going concern basis, the Company is carrying deferred tax assets.</p> <p>(ii) In the course of ongoing restructuring process with the lenders, the Company has deferred repayment and converted the advance received from certain companies into interest free long term loans.</p> <p>(iii) The management of the company is hopeful to realise the amount from the Trade receivable and other financial assets in due course of time.</p> <p>(iv) The board of the company has approved in their meeting held on 30th May 2019 for notice of postal ballot for pending approval from shareholders for waiver of excess managerial remuneration.</p>	
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:		
	(i) Management's estimation on the impact of audit qualification:	Not applicable	
	(ii) If management is unable to estimate the impact, reasons for the same:	Not applicable	
	(iii) Auditors' Comments on (i) or (ii) above:	Not applicable	
III	Signatories:		
	Managing Director		
	CFO		
	Audit Committee Chairman		
	Joint Statutory Auditors		
	Place: Kolkata		
	Date: May 30, 2019		



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May 30, 2019

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Bandra (E), Mumbai - 400 051

Dear Madam/Sir,

Sub: Financial Results

We would like to inform you that the Board of Directors at their meeting held on date, i.e. May 30, 2019, has approved the following : —

- i) Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2019 and the Auditor's Report thereon in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (copy attached)
- ii) Statement on impact of Audit Qualifications of the Company for the Financial Year ended March 31, 2019. (copy attached)

The Board decided that in absence of profit for the current Financial year 2018-19, the Board of Directors could not recommend any dividend on Equity and / or Preference Shares for the year ended March 31, 2019.

Thanking You,

Yours Faithfully,

For McNally Bharat Engineering Company Limited

Indranil Mitra
Company Secretary

Encl : As above

DELOITTE HASKINS & SELLS LLP
Chartered Accountants
13th and 14th Floor,
Building – Omega
Bengal Intelligent Park
Block – EP & GP
Sector V, Salt Lake City,
Kolkata - 700091
West Bengal, India.

V. SINGHI & ASSOCIATES
Chartered Accountants
Four Mangoe Lane
Surendra Mohan Ghosh Sarani,
Kolkata – 700001
West Bengal, India.

INDEPENDENT AUDITORS' REPORT ON ANNUAL CONSOLIDATED FINANCIAL RESULTS OF MCNALLY BHARAT ENGINEERING COMPANY LIMITED PURSUANT TO THE REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**TO THE BOARD OF DIRECTORS OF
MCNALLY BHARAT ENGINEERING COMPANY LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **McNALLY BHARAT ENGINEERING COMPANY LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") ("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 modified read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

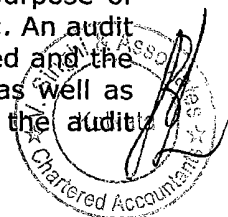
2. Management's Responsibility

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such condensed consolidated Ind AS financial statements.

3. Auditors' Responsibility

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement. We believe that the audit



evidence obtained by us is sufficient and appropriate to provide a basis for our adverse audit opinion.

4. **Material uncertainty related to Going Concern**

We draw attention to note 3 of the statement, wherein the Group has incurred net loss of Rs. 78,320.36 lakhs during the year ended March 31, 2019, current liabilities exceed current assets by Rs. 46,052.17 lakhs as on March 31, 2019. During the year ended March 31, 2019, the Parent Company and one of its subsidiary was unable to discharge its obligations for repayment of loans and settlement of other financial and non-financial liabilities including statutory liabilities. The Parent Company and one of its subsidiary Company's management is currently in discussion with the lenders for carrying out a debt restructuring proposal. These events and conditions indicate a material uncertainty which cast a significant doubt on the group's ability to continue as a going concern, and therefore it may be unable to realise its assets and discharge its liabilities including potential liabilities in the normal course of business. The ability of the Group to continue as a going concern is solely dependent on the acceptance of the debt restructuring proposal, which is not wholly within the control of the Group.

The Management of the Group has prepared the statement on going concern basis based on their assessment of the successful outcome of the restructuring proposal and accordingly no adjustments have been made to the carrying value of the assets and liabilities and their presentation/classification in the Balance Sheet.

Our opinion is not modified in respect of this matter.

5. **Basis of Adverse Opinion**

- (i) The Group has recognised deferred tax assets aggregating to Rs. 57,940.49 Lakhs as at March 31, 2019. Considering the material uncertainty related to going concern that exists in the Group, the threshold of reasonable certainty for recognising the deferred tax assets as per Ind AS 12- Income Taxes has not been met. Consequently deferred tax assets is overstated and losses for the year is understated by Rs. 57,940.49 Lakhs and accumulated deficit is understated by Rs. 57,940.49 Lakhs.
- (ii) We draw attention to note no 4 to the statement which relates to the recognition of Fair Value Gain by the Parent amounting to Rs. 87,482.00 Lakhs in Other Equity on deferment of payment of amounts received from certain Companies on conversion of those amounts into interest free long term loans. We are unable to obtain sufficient and appropriate audit evidence to substantiate the contractual validity of the transaction and the accounting treatment in the Standalone Financial Results.
Further interest expense during the year on the aforementioned amounts up to the date of conversion aggregating to Rs. 9,216.88 lakhs has not been recognised in the statement of profit and loss.

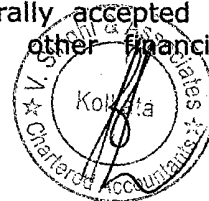


- (iii) Trade receivables and other financial assets of parent includes certain old balances related to completed projects amounting to Rs. 8,785.37 lakhs which are outstanding for more than two years and are unconfirmed and claims recoverable [representing bank guarantees invoked by customers] amounting to Rs. 14,461.21 lakhs resulting from alleged performance default events and hence doubtful of recovery. We are unable to comment upon the recoverability of these balances.
- (iv) We draw attention to the Note 6 of the Statement regarding waiver of recovery of excess managerial remuneration amounting to Rs. 220.09 lakhs (Rs. 220.03 lakhs for the year ended March 31, 2018) paid/payable to the Managing Director for which the parent is in the process of obtaining approval from the banks to whom default in repayment of dues was made and from the shareholders of the holding Company in terms of section 197(17) of the Act. Pending approval from the banks and shareholders of the Company, we are unable to comment on the consequential effect of the matter on this Consolidated Statement.
This matter was also qualified by us in the report for the financial year ended March 31, 2018.
- (v) During the year, the Group has provided for impairment in value of investments amounting to Rs. 1,559.73 lakhs and provision for doubtful debts amounting to Rs. 1,430.15 lakhs relating to one of the wholly owned subsidiaries, consolidated in the Statement based on management certified financial information referred under Other Matter Paragraph below para 7(b). The matter related to provision for doubtful debts was also qualified in our report for the financial year ended March 31, 2018. Management has not considered this as an adjustment to the opening balance and restated the comparative figures for the year ended March 31, 2018 which is not in accordance with the requirement of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors.

6. Adverse Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the reports of the other auditors on separate financial statements and the other financial information of subsidiaries given to us by the Management referred to in paragraph 7 below, read with Management's assessment of going concern assumptions and the reasons for making any adjustments to the carrying values or classification of assets and liabilities as more fully explained in the Material Uncertainty relating to Going Concern paragraph 4 above and because of the significance of the matters discussed in the paragraph 5 above, the Statement:

- a. is not presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- b. does not give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss, Total comprehensive income and other financial information of the Group for the year ended March 31, 2019.



The Statement includes the results of the following entities:

List of Subsidiaries:

McNally Sayaji Engineering Limited;
Vedica Sanjeevani Projects Private Limited (ceased to be subsidiary as at the balance sheet date);
McNally Bharat Equipment Limited;
McNally Bharat Mineral Technologies Pte Ltd;
MBE Minerals Zambia Limited

7. Other Matters

- (i) We did not audit the financial statements of one subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs. 7.95 Lakhs as at March 31, 2019, total revenues of Rs. Nil, total net loss after tax of Rs. 0.74 Lakhs and total comprehensive loss of Rs. Nil for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the 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 the other auditors.

The consolidated financial results includes the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 45,690.48 Lakhs as at March 31, 2019, total revenues of Rs. 24,581.43, total net loss after tax of Rs. 3,376.38 Lakhs and total comprehensive loss of Rs. 88.66 Lakhs for the year ended on that date, as considered in the consolidated financial results whose financial statements have been audited by only one of the Joint Statutory Auditors i.e. Deloitte Haskins & Sells LLP, Chartered Accountants. The opinion on the consolidated financial results, in so far as it related to the amounts and disclosures in respect of this subsidiary, is based solely on the report of the said Joint Auditor.

The opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other/said joint auditors.

- (ii) The consolidated financial results includes the unaudited financial information of three subsidiaries, whose financial information reflect total assets of Rs. 21,711.23 Lakhs as at March 31, 2019, total revenue of Rs. Nil, total net loss after tax of Rs. 3,457.02 Lakhs and total comprehensive loss of Rs. Nil for the year ended March 31, 2019, as considered in the consolidated financial results. These financial information are unaudited and 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 and joint venture, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.



Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

Deloitte Haskins & Sells LLP

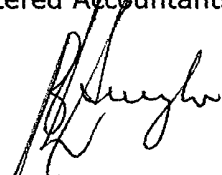
Firm Registration Number: 117366W/ W-100018
Chartered Accountants



(A. Bhattacharya)
Partner
Membership No.054110

V. Singhi & Associates

Firm Registration Number: 311017E
Chartered Accountants



(V. K. Singhi)
Partner
Membership No.050051

Date: 30th May, 2019
Place: Kolkata



McNALLY BHARAT ENGINEERING COMPANY LIMITED

CIN: L45202WB1961PLC025181

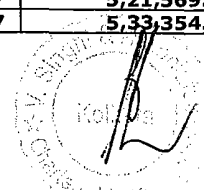
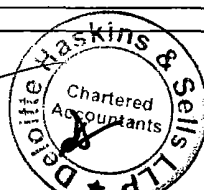
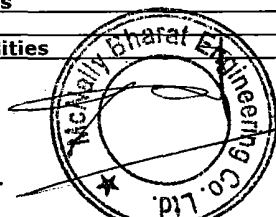
Regd. Office: 4 MANGOE LANE, Kolkata 700 001

Website: www.mcnallybharat.com, Email id: mbecal@mbecl.co.in, Phone no: (033) 6628-1212

Statement of Consolidated Audited Assets and Liabilities as at 31 March, 2019

(All figures in Rs lakhs unless otherwise stated)

Particulars	As at 31 March 2019 (Audited)	As at 31 March 2018 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	17,737.21	19,989.78
Capital work-in-progress	867.92	857.48
Goodwill	1,162.64	15,520.01
Other Intangible assets	50.06	85.18
Investment in associate and joint venture	-	1,286.95
Financial assets		
i. Investments	96.63	319.01
ii. Trade receivables	1,583.23	1,766.00
iii. Other financial assets	2,973.81	1,089.39
Deferred tax assets	57,940.49	56,807.60
Other non-current assets	27.78	235.06
Total non-current assets	82,439.77	97,956.46
Current Assets		
Inventories	18,096.60	41,755.62
Financial assets		
i. Trade receivables	1,74,056.57	1,79,740.84
ii. Cash and cash equivalents	4,167.94	9,844.42
iii. Bank balances other than cash (ii)	4,627.28	2,669.23
iv. Loans	1,362.85	1,715.34
v. Other financial assets	34,974.05	1,46,722.71
Current tax assets (net)	5,963.30	11,830.80
Other current assets	40,905.21	41,119.55
Total current assets	2,84,153.80	4,35,398.51
Total assets	3,66,593.57	5,33,354.97
EQUITY AND LIABILITIES		
Equity		
Equity share capital	17,215.18	15,804.46
Other equity		
Compulsorily Convertible Preference Share	3,941.90	5,352.62
Money received against share warrants	100.00	100.00
Reserves and surplus (Refer Note 4)	(4,227.50)	(12,668.11)
Equity attributable to owners of McNally Bharat Engineering Company Limited	17,029.58	8,588.97
Non-controlling interests	2,025.02	3,196.04
Total equity	19,054.60	11,785.01
LIABILITIES		
Non-current liabilities		
Financial Liabilities		
i. Borrowings (Refer Note 4)	15,682.51	6,807.20
ii. Trade payables	-	19.00
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.40	-
ii. Other financial liabilities	438.71	365.63
Provisions	886.95	899.33
Other non-current liabilities	321.43	368.00
Total non-current liabilities	17,333.00	8,459.16
Current liabilities		
Financial Liabilities		
i. Borrowings	2,10,637.86	3,20,241.47
ii. Trade payables	-	95,437.12
Total outstanding dues of micro enterprises and small enterprises	528.52	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	56,178.10	-
iii. Other financial liabilities	13,272.59	32,143.84
Other current liabilities	48,949.20	64,672.84
Provisions	639.70	615.36
Current tax liabilities (Net)	-	0.17
Total current liabilities	3,30,205.97	5,13,110.80
Total liabilities	3,47,538.97	5,21,569.96
Total equity and liabilities	3,66,593.57	5,33,354.97



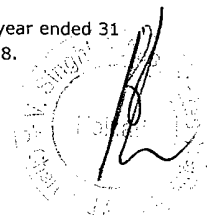
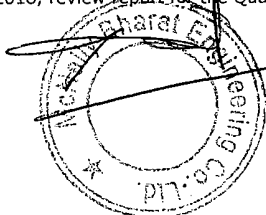
- The above results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 30 May, 2019.
- The Group is primarily engaged in two business segments, viz. "Turnkey engineering project" and "other engineering products" segment and predominantly operates in one Geographical segment. Accordingly, the Chief Operating decision maker has identified the business segment as the operating segment as per Indian Accounting Standard 108 on "Segment Reporting".

Segment-wise Revenue, Results, Assets and Liabilities

PARTICULARS	Rupees in Lakhs	
	Year Ended	Year Ended
	31 March 2019	31 March 2018
	Audited	Audited
Segment Revenue		
-Turnkey engineering	1,51,853.95	1,44,236.05
-Other engineering products	-	-
Sale of Products	19,957.04	21,453.00
Sale of Services	1,240.52	2,283.00
Other Operating Revenue	1,089.83	815.00
Revenue from operations	1,74,141.34	1,68,787.05
Segment Results		
Profit/(Loss) from Turnkey engineering	(35,252.81)	(8,121.16)
Profit/(Loss) from Other engineering products	(2,006.79)	2,426.65
Total	(37,259.60)	(5,694.51)
Less: i) Finance Cost	40,317.14	55,545.71
ii) Exceptional items	2,591.00	-
(Loss) before Tax	(80,167.74)	(61,240.23)
Segment Assets		
-Turnkey engineering	2,83,115.36	4,05,224.27
-Other engineering products	19,574.42	63,566.16
Total	3,02,689.78	4,68,790.43
Add: Unallocated Assets	63,903.79	64,564.55
Total Assets	3,66,593.57	5,33,354.98
Segment Liabilities		
-Turnkey engineering	1,12,778.55	1,54,918.28
-Other engineering products	8,483.39	14,697.01
Total	1,21,261.94	1,69,615.29
Add: Unallocated Liabilities	2,26,277.03	3,51,954.67
Total Liabilities	3,47,538.97	5,21,569.96

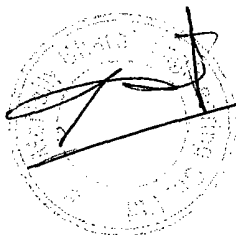
- The Group's financial performance have been adversely affected due to downturn of the infrastructure and core sector, working capital constraints and external factors beyond the Group's control due to which the Group has not been able to meet its financial commitments /covenants to lenders and various other stakeholders. The Parent and one of its subsidiary have submitted its resolution plan to its lenders who are actively considering the resolution process outside National Company Law Tribunal. The Parent and one of its subsidiary has initiated various processes as specified under the Reserve of Bank of India's guidelines (which was withdrawn vide judgement of honourable supreme court of India on 2nd April, 2019) and most of these processes have already been completed including scenario based rating by CRISIL, external credit rating agency. On the basis of these developments, the Group is hopeful that the restructuring proposal of the group will be approved shortly. Additionally, the Group is taking various measures, including cost cutting, which shall improve its operational efficiencies. The Management is confident that with the lenders support on the Resolution, and various other measures, the company will be able to generate sufficient cash flows through profitable operations improving its net worth and net working capital to discharge its short term and long term liabilities. Hence, financial statement have been prepared on a going concern basis.
- During the quarter ended 31 March, 2019 in the course of ongoing restructuring process with the lenders, the Parent has deferred repayment and converted the advance received from certain companies under the same promoter group aggregating to Rs. 98,592.96 lakhs, into interest free long term loans /ICDs, repayable in five equated annual installments commencing after 20 years. Fair valuation gain of Rs 87,482.00 lakhs arising out of aforesaid transaction has been considered as part of "Other Equity" and Rs. 11,110.96 lakhs has been considered as long term borrowings.
- Board has decided to recover the excess remuneration paid / payable amounting to Rs. 40.82 lakhs to erstwhile one whole time director for the financial year ended 31 March, 2018, superseding its earlier decision and approval of Shareholders of the Parent for waiver. The Parent would initiate steps for necessary approval for recovery of such amount. The Parent is in the process of obtaining necessary approvals for the same.
- In respect of waiver of recovery of excess remuneration paid / payable amounting to Rs. 220.09 lakhs and Rs. 220.03 lakhs to the Managing Director for the financial year ended 31 March, 2019 and 31 March, 2018 respectively, the Parent is in the process of obtaining approval from the concerned banks and from the shareholders in terms of section 197(17) of the Act.

This matter was also qualified by Joint Statutory Auditors of the Parent in their audit report for the financial year ended 31 March, 2018, review report for the Quarter ended 30 June, 2018, 30 September, 2018 and 31 December, 2018.



Particulars	Rs in lakhs unless otherwise stated)	
	As at	
	31 March 2019	31 March 2018
	(Audited)	(Audited)
1 Revenue from operations		
(a) Net sales/ Income from operations	1,73,051.51	1,67,717.85
(b) Other operating revenue	1,089.83	1,069.20
Total income from operations (net)	1,74,141.34	1,68,787.05
2 Other income	15,808.58	15,259.92
3 Total Income(1+2)	1,89,949.92	1,84,046.97
4 Expenses		
(a) Cost of materials consumed	1,18,242.04	95,407.62
(b) Purchase of stock-in-trade	2,406.36	2,530.00
(c) Changes in inventories	1,182.85	(5,978.99)
(d) Outsourcing expenses to job worker	41,200.06	45,007.10
(e) Excise duty	-	538.29
(f) Employee benefits expense	13,150.36	13,496.61
(g) Finance costs	40,607.16	55,545.28
(h) Depreciation and amortisation expense	2,321.69	3,103.98
(i) Other expenses	48,416.14	35,637.31
Total expenses	2,67,526.66	2,45,287.20
5 Profit/(Loss) before tax and exceptional items (3-4)	(77,576.74)	(61,240.23)
6 Exceptional items	2,591.00	-
7 Profit/(Loss) before tax (5-6)	(80,167.74)	(61,240.23)
8 Tax expenses:		
(a) Current tax	-	-
(b) Deferred tax	(1,102.10)	(14,656.09)
9 Profit/(Loss) for the period (7-8)	(79,065.64)	(46,584.14)
10 Share of Net Profit/(Loss) of associate and joint venture	-	(437.64)
11 Share of Net Profit/(Loss) of Minority Interest	(745.28)	(916.02)
12 Net Profit/(Loss) after taxes, minority interest, and share of profit/(loss) of associates (9+10-11)	(78,320.36)	(47,937.80)
13 Other Comprehensive Income		
(a) Items that will not be reclassified to profit or loss	(193.98)	(59.07)
Total other comprehensive income (net of income tax)	(193.98)	(59.07)
14 Total comprehensive income for the period (12+13)	(78,514.34)	(47,996.87)
15 Reserves including Revaluation Reserves	(4,227.50)	(12,666.98)
16 Paid up equity share capital (Face value of the share Rs.10 each)	17,215.18	15,804.46
17 Earnings Per Share (EPS) for the period (Face value of Rs. 10/- per share):		
Basic (Rs.)	(36.94)	(33.96)
Diluted (Rs.)	(36.94)	(33.96)

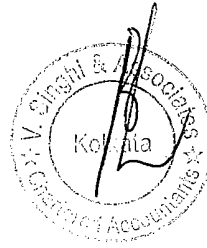
Also refer accompanying notes to the Financial Results

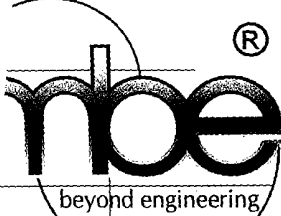


- 7 Project business is subject to quarter to quarter variations and one quarter's performance in isolation does not necessarily indicate full year's performance.
- 8 The Ministry of Corporate Affairs (MCA), on 28 March, 2018, notified Ind AS 115 "Revenue from Contracts with Customers" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2018. The new standard is effective from accounting periods beginning on or after 1 April, 2018. The Group has adopted the standard using the modified retrospective approach. The adoption of the standard did not have any significant impact to the financial results of the Group for the year ended 31 March 2019.
- 9 The figures for the three months ended 31 March, 2019 and corresponding three months ended 31 March, 2018 are the balancing figures between the audited figures in respect of the full financial year and the year to date unaudited figures for the nine months of the respective financial years.
- 10 Figures for the previous quarters / periods have been regrouped / rearranged wherever considered necessary.

Kolkata
May 30, 2019


(SRINIVASH SINGH)
MANAGING DIRECTOR
DIN: 00789624



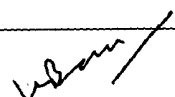
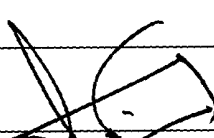
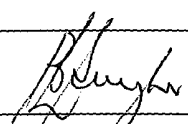




McNally Bharat Engineering Company Limited

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E mbe.corp@mbecol.co.in W www.mcnallybharat.com

Statement on Impact of Audit Qualifications on Consolidated Financial Statements for the Financial Year ended March 31, 2019 (See Regulation 33 / 32 of the SEBI (LODR) (Amendment) Regulations, 2015)

Statement on Impact of Audit Qualifications on Consolidated Financial Statements for the Financial Year ended March 31, 2019			
[See Regulation 33 / 53 of the SEBI (LODR) (Amendment) Regulations, 2016]			
Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) /Rs in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications)
1	Total Income	1,89,949.92	1,89,950
2	Total Expenditure	2,67,526.56	3,38,490
3	Net Profit/(Loss)	-78,514.34	-1,50,478
4	Earnings Per Share	-36.94	-71
5	Total Assets	3,66,593.57	2,94,630
6	Total Liabilities	3,66,593.55	4,54,076
7	Net Worth	17,029.56	-1,45,406
8	Any other financial item(s) (as felt appropriate by the management)		
II	Audit Qualification (each audit qualification separately):		
a. Details of Audit Qualification:		(i) The Group has recognised deferred tax assets aggregating to Rs. 57,940.49 Lakhs as at March 31, 2019. Considering the material uncertainty related to going concern that exists in the Group, the threshold of reasonable certainty for recognising the deferred tax assets as per Ind AS 12- Income Taxes has not been met. Consequently deferred tax assets is overstated and losses for the year is understated by Rs. 57,940.49 Lakhs and accumulated deficit is understated by Rs. 57,940.49 Lakhs.	
		(ii) We draw attention to note no 4 to the statement which relates to the recognition of Fair Value Gain by the Parent amounting to Rs. 87,482.00 Lakhs in Other Equity on deferment of payment of amounts received from certain Companies on conversion of those amounts into interest free long term loans. We are unable to obtain sufficient and appropriate audit evidence to substantiate the contractual validity of the transaction and the accounting treatment in the Standalone Financial Results. Further interest expense during the year on the aforementioned amounts up to the date of conversion aggregating to Rs. 9,216.88 lakhs has not been recognised in the statement of profit and loss.	
		(iii) Trade receivables and other financial assets of parent includes certain old balances related to completed projects amounting to Rs. 8,785.37 lakhs which are outstanding for more than two years and are unconfirmed and claims recoverable [representing bank guarantees invoked by customers] amounting to Rs. 14,461.21 lakhs resulting from alleged performance default events and hence doubtful of recovery. We are unable to comment upon the recoverability of these balances.	
		(iv) We draw attention to the Note 6 of the Statement regarding waiver of recovery of excess managerial remuneration amounting to Rs. 220.09 lakhs (Rs. 220.03 lakhs for the year ended March 31, 2018) paid/payable to the Managing Director for which the parent is in the process of obtaining approval from the banks to whom default in repayment of dues was made and from the shareholders of the holding Company in terms of section 197(17) of the Act. Pending approval from the banks and shareholders of the Company, we are unable to comment on the consequential effect of the matter on this Consolidated Statement. This matter was also qualified by us in the report for the financial year ended March 31, 2018.	
		(v) During the year, the Group has provided for impairment in value of investments amounting to Rs. 1,559.73 lakhs and provision for doubtful debts amounting to Rs. 1,430.15 lakhs relating to one of the wholly owned subsidiaries, consolidated in the Statement based on management certified financial information referred under Other Matter Paragraph below para 7(b). The matter related to allowance for doubtful debts was also qualified in our report for the financial year ended March 31, 2018. Management has not considered this as an adjustment to the opening balance and restated the comparative figures for the year ended March 31, 2018 which is not in accordance with the requirement of IND AS 8 on Accounting Policies, Changes in Accounting Estimates and Errors.	
b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse		Adverse Opinion	
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		(i), (ii), (iii) and (v) First time (iv) Repetitive	
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		(i) The company is undergoing debt resolution plan with the lenders which will make the Company viable and bring reasonable certainty related to going concern. Since the Company has maintained the accounts under going concern basis, the Company is carrying deferred tax assets. (ii) In the course of ongoing restructuring process with the lenders, the Company has deferred repayment and converted the advance received from certain companies into interest free long term loans. (iii) The management of the company is hopeful to realise the amount from the Trade receivable and other financial assets in due course of time. (iv) The board of the company has approved in their meeting held on 30th May 2019 for notice of postal ballot for pending approval from shareholders for waiver of excess managerial remuneration. (v) The triggering event has arisen in the current financial year and accordingly the loss has been booked in the current financial year. Hence the opening balance remains unchanged.	
e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
(i) Management's estimation on the impact of audit qualification:		Not applicable	
(ii) If management is unable to estimate the impact, reasons for the same:		Not applicable	
(iii) Auditors' Comments on (i) or (ii) above:		Not applicable	
Signatories:			
III	Managing Director		
	CFO		
	Audit Committee Chairman		
	Joint Statutory Auditors	 	
Place: Kolkata Date: May 2, 2019			

Place: Kolkata
Date: May 30, 2019