

Lovelock & Lewes

Chartered Accountants

The Board of Directors
McNally Bharat Engineering Company Limited
4 Mangoe Lane,
Kolkata 700001.

1. We have reviewed the unaudited financial results of McNally Bharat Engineering Company Limited (the "Company") for the quarter ended June 30, 2017 which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2017' (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We draw your attention to Note 4 to the Statement regarding remuneration aggregating Rs.79.34 Lacs paid/payable to a whole-time director and the managing director of the Company for the period April 1, 2017 to June 30, 2017 for which the company has not obtained requisite approvals as mandated under Section 197 (3) read with Schedule V of the Act. The impact of the said non-compliance is currently unascertainable.
5. Based on our review conducted as above, except for the indeterminate effect of the matter stated in paragraph 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Lovelock & Lewes
Firm Registration Number: 301056E
Chartered Accountants



Prabal Kr. Sarkar
Partner
Membership Number: 52340

Kolkata
Dated: August 11, 2017

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McNALLY BHARAT ENGINEERING COMPANY LIMITED
 Regd. Office: 4 MANGOE LANE, Kolkata 700 001
 Web: www.mcnallybharat.com, Email id: mbecal@mbeccl.co.in, Phone no: (033) 6628-1111
 CIN: L45202WB1961PLC025181
Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2017

PART I

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

Sl. No.	Particulars (Refer Notes Below)	Quarter ended			
		30th June 2017 Unaudited	31st March 2017 Unaudited	30th June 2016 Unaudited	Year ended 31st March 2017 Audited
1	Income from operations				
a.	Net Sales/ Income from operations	37,994	69,004	39,193	1,90,750
b.	Other operating income	906	(3,521)	1,433	1,689
	Total Income from operations	38,900	65,483	40,626	1,92,439
2	Other income	3,011	24,202	571	31,625
3	Total Income (1+2)	41,911	89,685	41,197	2,24,064
4	Expenses				
a.	Cost of materials consumed	18,938	57,482	28,993	1,48,410
b.	Outsourcing expenses to outsiders for job work	14,750	16,127	13,843	53,092
c.	Employee benefits expenses	2,583	2,217	2,398	9,344
d.	Finance Costs	12,650	10,968	8,117	39,207
e.	Depreciation and amortisation expenses	405	453	917	2,533
f.	Other expenses	6,990	3,171	6,627	26,430
	Total Expenses	56,316	90,418	60,895	2,79,016
5	Profit/(Loss) before exceptional items and tax(3-4)	(14,405)	(733)	(19,698)	(54,952)
6	Exceptional Items	-	-	-	-
7	Profit/(Loss) before tax (5-6)	(14,405)	(733)	(19,698)	(54,952)
8	Tax expenses:				
a.	Current Tax	-	(10,812)	-	(10,812)
b.	Deferred Tax	(4,216)	(38,313)	-	(38,313)
9	Profit/(Loss) for the period (7-8)	(10,189)	48,392	(19,698)	(5,827)
10	Other comprehensive income (net of tax)				
a.	Items that will not be reclassified to profit or loss	(12)	(54)	2	(48)
b.	Items that will be reclassified to profit or loss				
	Total other comprehensive income, net of income tax	(12)	(54)	2	(48)
11	Total Comprehensive Income for the period (9+10)	(10,201)	48,338	(19,696)	(5,875)
12	Paid up equity share capital: (Face value of the share Rs. 10)	5,739	5,359	5,109	5,359
13	Reserves excluding revaluation reserve				(3,451)
14	Earning per share (of Rs. 10/- each) (not annualised):				
	Basic	(7.44)	85.80	(38.55)	(12.30)
	Diluted	(7.44)	85.80	(38.55)	(12.30)
	See accompanying note to the financial results				



McNALLY BHARAT ENGINEERING COMPANY LIMITED

Regd. Office: 4 MANGOE LANE, Kolkata 700 001

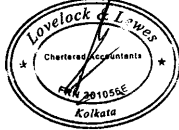
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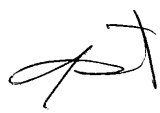
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Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June, 2017

- 1 The above unaudited results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors of the company at its meeting held on August 11, 2017 and these have been subjected to a Limited Review by the Statutory Auditor of the Company.
- 2 The Company is primarily engaged in the business of construction and hence no separate disclosure has been made for Segment Reporting per Ind AS 108.
- 3 With regard to qualification in the audit report for the year ended March 31, 2017 in respect of outstanding amount of Rs 7,180 lacs which stood as receivable on March 31, 2017 from MBE Mineral Technologies Pte Limited (MBE Singapore). The amount has been received in full during the current financial year. Investment of Rs. 2,550.74 Lacs in MBE Mineral Technologies Pte Ltd Singapore is considered good and recoverable in the views of the Management.
- 4 In respect of remuneration paid/payable to director(s) for the year 2016-17 and quarter ended June 30, 2017, the company would initiate the process of obtaining necessary approval from the central government after obtaining shareholders' approval at the upcoming Annual General Meeting. The statutory auditors had qualified the amount of remuneration paid/payable in their audit report for the year ended March 31, 2017.
- 5 The company had issued 38,00,000 equity shares of face value of Rs. 10/- and a premium of Rs.56/- per equity share to Sahal Business Pvt. Ltd., on April 13, 2017, for a total amount of Rs.2,508 Lacs.
- 6 The figure for the quarter ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2017 and the unaudited published year-to-date figures up to third quarter ended December 31, 2016.
- 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 Figures of the previous quarters/periods have been regrouped/ rearranged wherever considered necessary.

Kolkata
August 11, 2017




SRINIVASH SINGH
MANAGING DIRECTOR