

MCNALLY SAYAJI ENGINEERING LIMITED						
CIN: 129999AVH19L3PLC133247, Web - Site : www.mcnallysayaji.com						
Regd. Office- Eospace, Campus 2B, New Town, Rajarhat, Kolkata - 700160 Phone No : 913330142280						
Statement of Unaudited Standalone Financial Results For the Quarter and Half Year Ended 30th September, 2022						
PARTICULARS	Rupees in Lakhs					
	Quarter Ended			Half Year Ended		Year Ended
	30-09-2022	30-06-2022	30-09-2021	30-09-2022	30-09-2021	31-03-2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
(a) Revenue From Operations	4,089	3,958	4,354	8,047	6,995	15,734
(b) Other Income	64	60	53	124	77	352
Total Income	4,153	4,018	4,407	8,171	7,072	16,086
2 Expenses						
a) Cost of Materials Consumed	1,962	2,399	1,990	4,361	3,133	8,716
b) Changes in Inventories of Work-in-Progress and Finished Goods	432	(149)	352	283	405	(208)
c) Employee Benefits Expense	653	629	598	1,282	1,224	2,440
d) Finance Costs	27	24	16	51	38	117
e) Depreciation and Amortisation Expense	158	158	159	316	323	653
f) Other Expenses	1,001	1,001	1,052	2,002	1,650	5,439
Total Expenses (a to f)	4,233	4,062	4,167	8,295	6,773	17,156
3 Profit/(Loss) before Tax and Exceptional Items (1-2)	(80)	(44)	240	(124)	299	(1,071)
Exceptional Items	--	--	--	--	--	3,025
Profit/(Loss) before Tax	(80)	(44)	240	(124)	299	(4,146)
4 Tax Expenses						
a) Current Tax	--	--	--	--	--	--
b) Tax Earlier Year	--	--	--	--	--	(22)
c) Deferred Tax(Credit)	--	--	--	--	--	--
5 Profit/(Loss) for the period/year (3+4)	(80)	(44)	240	(124)	299	(4,124)
6 Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
a) Remeasurements of Post-Employment Benefit Obligations	3	2	1	5	1	10
b) Income tax relating to these items	--	--	--	--	--	--
Total Other Comprehensive Income	3	2	1	5	1	10
7 Total Comprehensive Income for the period /Year (5+/- 6)	(77)	(42)	241	(119)	300	(4,114)
8 Paid up Equity Share Capital (Face value Rs.10/- per share)	1,259	1,259	1,259	1,259	1,259	1,259
9 Other Equity (Excluding Revaluation Reserve)	--	--	--	--	--	3,907
10 Earning Per Share						
Basic and Diluted	(0.63)	(0.35)	1.90	(0.98)	2.37	(32.76)

Also refer to the accompanying notes

PURAJIT ROY
Chartered Accountant
 Purajit Roy
 Chief Financial Officer

JITENDRA LOHIA
Chartered Accountant
 CA Jitendra Lohia
 Resolution Professional
 (IBBI/PA/P00170/2017-18/10339)

Place : Kolkata
 Date : 11th November, 2022



Notes to the Statement of Standalone Unaudited Financial Results for the half year ended 30th September, 2022

1. Pursuant to the application under section 7 of Insolvency and Bankruptcy Act, 2016 filed by one Financial Creditors, being CP No.131/KB/2020, the NCLT Court, Kolkata Bench, while disposing off, admitted the application vide order dated 11th February, 2021 and directed to initiate Corporate Insolvency Resolution Process (CIRP) against the Company. CA Jitendra Lohia (IBBI/IPA/P00170/2017-18/10339) was initially appointed as the Interim Resolution Professional in the said matter. Before the principal bench of the National Company Law Appellate Tribunal ("NCLAT") at New Delhi an appeal was also preferred against the said order passed by the Hon'ble NCLT, Kolkata bench. In accordance with the order of the NCLAT on this appeal, a stay on the constitution of Committee of Creditors ("CoC") was imposed till final order in this matter. The Hon'ble NCLAT finally vide it's order dated 29th November, 2021 disposed off the appeal by dismissing it. Thereafter, the Committee of Creditors (CoC) was constituted which held it's first meeting on 14th December, 2021. At the e-voting for the First Meeting of CoC all the resolutions including appointment of CA Jitendra Lohia as Resolution Professional (RP) by requisite majority was approved.

The Resolution Plan of one of the prospective Resolution Applicants has received the approval of CoC by requisite majority, in terms of the Insolvency and Bankruptcy Code, 2016 and CoC authorised the RP to issue the Letter of Intent in terms of the Request For Resolution Plan and thereafter submit the application before the Hon'ble NCLT Court for final approval of the Resolution Plan. The application has since been submitted before the Hon'ble NCLT Court. The standalone financial results, therefore, have been prepared on going concern basis.

2. The above results have been reviewed and recommended by the Board of Directors (suspended) as well as the Resolution Professional at the management meeting held on 11th November, 2022.
3. The above results have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Company is primarily engaged in a single business segment, viz. "manufacturing and designing of engineering products" and predominantly operates in one Geographical segment. Hence, in the opinion of the Chief Operating decision maker, the Company's operation comprises of only one reporting segment. Accordingly, there are no separate reportable segments, as per Indian Accounting Standard 108 on "Segment Reporting".
5. The Company has been categorized as Non-Performing Asset by the lender banks. Consequently, majority of the lender banks have stopped debiting interest on their debts. The Company has not recognised interest expense on Bank borrowings and on Inter-Corporate



PURAJIT
ROY

JITENDRA LOHIA

Borrowings since the financial year ended 31st March, 2020 till end of financial year ended 31st March 2021, the said interest expenses not recognised had been Rs. 6747 Lakhs and Rs. 1260 Lakhs on Bank Borrowings and Inter-Corporate Borrowings respectively. The CIRP has since been initiated against the Company on and from 11th February, 2021 pursuant to the order passed by the Hon'ble NCLT Court, Kolkata Bench in the matter of the application filed by one of the lender banks. No further estimates of interest expenses on Bank Borrowings and on Inter-Corporate Borrowings have been made from FY 2021-22 and in the process based on the claims submitted by the lender banks, the claims admitted by the Resolution Professional, uploaded in the Company's website are Rs.23,226 lakhs in aggregate [excluding admitted claims of the financial creditors (a) relating to the Bank Borrowings of Parent Company, McNally Bharat Engineering Company Limited against which Company had issued a corporate guarantee and created exclusive first charge of fixed assets at Kumardhubi Unit-1 and (b) claims of the related parties] and Rs.63 lakhs against Inter-Corporate Borrowing claims.

6. Due to economic downturn with the outbreak of COVID-19 pandemic, the net worth of the wholly owned subsidiary, MBE Coal & Mineral Technology India Private Limited has been fully eroded resulting in consequential impairment in the investment of the Company to be lower than the cost as on the date of the Financial Results under review. However, in view of established brand value of its products and potential business prospects of the subsidiary as well as the company undergoing CIRP under the Insolvency and Bankruptcy Code, 2016 the impairment to the investment in the subsidiary has not been recognised in the Financial Results of the Company.
7. The Company has changed its intention to earn rental income and discontinued recognising investment property from April 2022. So net carrying value of the said asset Rs. 355 Lakhs is transferred to Property, Plant and Equipment.
8. The Company had recognised Deferred Tax Assets amounting to Rs. 5,397 lakhs upto 31st March, 2019. Under the present circumstances, as stated in para (1) above, Company had not recognised Deferred Tax Assets thereafter taking a conservative approach.
9. Figures for the previous quarters/periods have been regrouped/ rearranged wherever considered necessary.

Place : Kolkata
Dated: 11th November, 2022

PURAJIT
ROY
(Purajit Roy)
Chief Financial Officer

JITENDRA
LOHIA
(Jitendra Lohia)
Resolution Professional



MCNally Sayaji Engineering Limited
Statement of Assets And Liabilities- Standalone

(All amounts are in Rs lakhs, unless otherwise stated)

Particulars	As at	As at
	30th September 2022	31st March 2022
	Unaudited	Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	11,680	11,596
Investment Properties	-	355
Intangible Assets	4	4
Financial Assets		
Investments	2,700	2,700
Trade Receivables	534	767
Other Financial Assets	202	271
Deferred Tax Assets (Net)	5,397	5,397
Other Non-current Assets	129	128
Total Non-Current Assets	20,646	21,218
Current Assets		
Inventories	4,886	5,040
Financial Assets		
Trade Receivables	6,238	6,136
Cash and Cash Equivalents	2,820	1,974
Bank Balances Other than Cash and Cash Equivalents	292	111
Other Financial Assets	34	34
Current Tax Assets (Net)	88	55
Other Current Assets	2,062	2,318
Total Current Assets	16,420	15,668
Total Assets	37,066	36,886
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,259	1,259
Other Equity		
Reserves and Surplus	3,788	3,907
Total Equity	5,047	5,166
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	162	169
Employee Benefit Obligations	335	345
Total Non-Current Liabilities	497	514
Current Liabilities		
Financial Liabilities		
Borrowings	20,507	20,507
Lease Liabilities	42	42
Trade Payables		
A. Total Outstanding Dues of Micro Enterprises and Small Enterprises	303	337
B. Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	4,870	5,081
Other Financial Liabilities	1,026	942
Provisions	55	53
Employee Benefit Obligations	71	71
Other Current Liabilities	4,648	4,173
Total Current Liabilities	31,522	31,206
Total Liabilities	32,019	31,720
Total Equity and Liabilities	37,066	36,886

Also refer to the accompanying notes

Place : Kolkata
Date : 11th November, 2022



PURAJIT
ROY

Purajit Roy
Chief Financial Officer

JITENDRA LOHIA

CA Jitendra Lohia
Resolution Professional
(IBBI/IPA/P00170/2017-18/10339)

Particulars	Half Year Ended 30th Sept 2022	Half Year Ended 30th Sept 2021
Cash flow from operating activities		
Profit/(Loss) before Tax	(124)	299
Adjustments for:-		
Depreciation and Amortisation Expense	316	323
Loss / Gain on Sale of Property, Plant and Equipment (Net)	-	-
Interest Income	(31)	(8)
Finance Costs	51	-
Reclassification of Indas - 116	-	11
Allowance for Doubtful Debts - Trade Receivables / Other Assets	10	89
Liabilities no longer required written back	(17)	(6)
Provision no longer required written back	(59)	-
Provision for Warranty written back	-	43
Net exchange Differences	(16)	1
	130	752
Cash flow from operating activities before change in operating assets and liabilities		
Decrease / (Increase) in trade Receivables and Other Assets	382	(803)
Decrease / (Increase) in inventories	154	194
Increase / (Decrease) in Trade & Other Payables	450	(454)
Increase / (Decrease) in Employee benefit obligations	(65)	6
	1,051	(305)
Cash generated from operations		
Income taxes (paid) / received	(33)	174
Net cash inflow from operating activities	1,018	(131)
Cash flows from investing activities		
Purchase of property, plant and equipment	(44)	(12)
Interest received	31	8
Fixed Deposit Matured	(101)	-
Net cash inflow (outflow) from investing activities	(114)	(4)
Cash flows from financing activities		
Repayment of Borrowings (Including Lease Obligation)	(7)	-
Finance Costs	(51)	-
Net increase (decrease) in Cash Credit Facilities including WCCL	-	590
Net cash outflow from financing activities	(58)	590
Net increase (decrease) in cash and cash equivalents	846	455
Cash and cash equivalents at opening of the year	1,974	1,062
Cash and cash equivalents at end of the year	2,820	1,517
Net Changes in cash and cash equivalents	(846)	(455)
<i>Reconciliation of cash and cash equivalents as per the cash flow statement</i>		
Cash and cash equivalents as per above comprise of the following	30th Sept 22	30th Sept 21
Cash and cash equivalents	2,820	1,517
Balances per Statement of Cash Flows	2,820	1,517

Also refer to the accompanying notes

PURAJI
T ROY

Purajit Roy
Chief Financial Officer

JITENDRA
LOHIA

CA Jitendra Lohia
Resolution Professional
(IBBI/IPA/P00170/2017-18/10339)

Place : Kolkata

Date : 11th November, 2022



V. SINGHI & ASSOCIATES
Chartered Accountants

Phone: 2230 3963
2210 1125
E-mail: vsinghiandco@gmail.com
Four Mangoe Lane
Surendra Mohan Ghosh Sarani
Kolkata – 700 001

Independent Auditor's Report on Limited Review of the Unaudited Standalone Financial Results for the Quarter and Half year ended 30th September, 2022 of McNally Sayaji Engineering Limited pursuant to the Regulation 33 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015, as amended

**The Resolution Professional of
McNally Sayaji Engineering Limited
Campus 2B, Ecospace Business Park
11F/12 Rajarhat, New Town
Kolkata – 700156**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MCNALLY SAYAJI ENGINEERING LIMITED** ("the Company") for the quarter and six months ended 30th September, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19th July, 2019 ("the Circular").
2. This Statement, which is the responsibility of the Company's Management and approved by the Resolution professional, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, 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 Engagements (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 from material misstatement. A review is limited primarily to inquiries of the 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 also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended, to the extent applicable.

5. Basis for Adverse Conclusion

Non-Recognition of Interest Expense

The Company has not recognised interest expense on Bank borrowings amounting to Rs. 9,552 Lakhs and on Inter corporate Borrowings amounting to Rs. 2,146 Lakhs upto 30th September, 2022 as referred in Note 5 of the Statement. The CIRP has since been initiated against the Company on and from 11th February, 2021 pursuant to the order passed by the Hon'ble NCLT Court, Kolkata Bench in the matter of the application filed by one of the lender banks. The claims admitted by the Resolution Professional, uploaded in the Company's website are Rs.23,226 lakhs in aggregate (excluding admitted claims of the financial creditors relating to the Bank Borrowings of Parent Company, McNally Bharat Engineering Company Limited against which Company had issued a corporate guarantee and created exclusive first charge on the fixed assets of Kumardhubi Unit-1) and Rs.63 lakhs against Inter-Corporate Borrowing claims. As a result, finance costs, liability on account of interest and total comprehensive loss till 30th September, 2022 are understated to that extent.

This constitutes a material departure from the requirements of Indian Accounting Standard 109 "Financial Instruments".

6. Based on our review conducted as stated in Paragraph 3 above, and for reasons stated in Paragraph 5 above, the Statement of Standalone Unaudited Financial Results has not been prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies and 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.

7. Emphasis of Matters

a) Material Uncertainty related to Going Concern

We draw attention to Note 1 to the statement that the Company has reported net loss of Rs. 82 Lakhs (before comprehensive income) during the quarter ended 30th September, 2022. The ability to continue as a going concern is dependent upon many factors including continued support from the financial creditors, operational creditors, customers and submission of viable resolution plan by the prospective investor. These events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the acceptance of the resolution plan by the Committee of Creditors.



b) Recognition of Deferred Tax Assets

We draw attention to Note 8 to the Statement that the Company had recognised deferred tax assets of Rs. 5,397 Lakhs upto 31st March, 2019 expecting adequate future taxable profits to the Company against which the deferred tax assets can be realised, which is solely dependent on the acceptance of the resolution plan. However, the Company has not recognised further deferred tax assets thereafter on prudent basis.

c) Impairment in the value of Investment

We draw attention to Note 6 to the Statement regarding the wholly owned subsidiary namely "MBE COAL & MINERAL TECHNOLOGY INDIA PVT. LTD." whose net worth has been fully eroded resulting in consequential impairment in the value of investment of the Company as on the date of the Financial Results under review. However, in view of established brand value of its products and potential business prospects of the subsidiary as well as the company undergoing Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016, the impairment to the investment by the company has not been recognized in the Financial results of the Company.

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

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E



D. Pal Choudhury

(D. Pal Choudhury)
Partner

Membership No. 016830
UDIN :22016830BCWGD13506

Place: Kolkata
Date: 11th November, 2022

MCNALLY SAYAJI ENGINEERING LIMITED

CIN : L28999WB1943PLC133247, Web - Site : www.mcnallysayaji.com

Regd. Office- Ecospace, Campus 2B, New Town, Rajarhat, Kolkata - 700156 Phone No : 913330142289

Statement of Unaudited Consolidated Financial Results For the Quarter and Half Year Ended 30th September, 2022

PARTICULARS	Rupees in Lakhs					
	Quarter Ended			Half Year Ended		Year Ended
	30-09-2022	30-06-2022	30-09-2021	30-09-2022	30-09-2021	31-03-2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 (a) Revenue from Operations	4,216	4,075	4,587	8,291	7,628	17,221
(b) Other Income	70	60	53	130	77	895
Total Income	4,286	4,135	4,640	8,421	7,705	18,116
2 Expenses						
a) Cost of Materials Consumed	1,990	2,407	2,195	4,397	3,517	9,481
b) Changes in Inventories of Work-in-Progress and Finished Goods	432	(149)	352	283	405	(208)
c) Employee Benefits Expense	703	692	691	1,395	1,418	2,776
d) Finance Costs	93	85	104	178	196	432
e) Depreciation and Amortisation Expense	160	160	162	320	328	662
f) Other Expenses	1,089	1,085	965	2,174	1,819	6,262
Total expenses (a to f)	4,467	4,280	4,469	8,747	7,683	19,406
3 Profit/(Loss) before tax and exceptional items (1-2)	(180)	(145)	171	(325)	22	(1,290)
Exceptional Items	-	-	-	-	-	3,075
Profit/(Loss) before Tax	(180)	(145)	171	(325)	22	(4,365)
4 Tax expense						
Current tax	-	-	-	-	-	-
Tax Earlier Year	-	-	-	-	-	(22)
Deferred tax Charge/(Credit)	-	-	-	-	-	-
5 Profit / (Loss) for the period/year (4 +/-5)	(180)	(145)	171	(325)	22	(4,343)
6 Other Comprehensive Income						
Items that will not be reclassified to profit or loss						
a) Remeasurements of post-employment benefit obligations	9	9	1	18	1	35
b) Income tax relating to these items	-	-	-	-	-	-
Total Other Comprehensive Income, net of income tax	9	9	1	18	1	35
7 Total Comprehensive Income for the period (6 +/- 7)	(172)	(136)	172	(308)	23	(4,308)
8 Paid up Equity Share Capital (Face value Rs.10/- per share)	1,259	1,259	1,259	1,259	1,259	1,259
9 Other Equity(Excluding Revaluation Reserve)	-	-	-	-	-	1,006
10 Earning/(Loss) Per Share (of Rs 10/- each) (not annualised)						
Basic and Diluted	(1.43)	(1.15)	1.36	(2.58)	0.17	(34.50)

Also refer to the accompanying notes

PURAJIT ROY

Purajit Roy
Chief Financial Officer

JITENDRA LOHIA

CA Jitendra Lohia
Resolution Professional
(IBBI/PA/P00170/2017-18/10339)

Place : Kolkata

Date : 11th November, 2022



McNally Sayaji Engineering Limited

Notes to the Statement of Consolidated Unaudited Financial Results for the half year ended 30th September, 2022

1. Pursuant to the application under section 7 of Insolvency and Bankruptcy Act, 2016 filed by one Financial Creditors, being CP No.131/KB/2020, the NCLT Court, Kolkata Bench, while disposing off, admitted the application vide order dated 11th February, 2021 and directed to initiate Corporate Insolvency Resolution Process (CIRP) against the Holding Company. CA Jitendra Lohia (IBBI/IPA/P00170/2017-18/10339) was initially appointed as the Interim Resolution Professional in the said matter. Before the principal bench of the National Company Law Appellate Tribunal ("NCLAT") at New Delhi an appeal was also preferred against the said order passed by the Hon'ble NCLT, Kolkata bench. In accordance with the order of the NCLAT on this appeal, a stay on the constitution of Committee of Creditors ("CoC") was imposed till final order in this matter. The Hon'ble NCLAT finally vide it's order dated 29th November, 2021 disposed off the appeal by dismissing it. Thereafter, the Committee of Creditors (CoC) was constituted which held it's first meeting on 14th December, 2021. At the e-voting for the First Meeting of CoC all the resolutions including appointment of CA Jitendra Lohia as Resolution Professional (RP) by requisite majority was approved.

The Resolution Plan of one of the prospective Resolution Applicants has received the approval of CoC by requisite majority, in terms of the Insolvency and Bankruptcy Code, 2016 and CoC authorised the RP to issue the Letter of Intent in terms of the Request For Resolution Plan and thereafter submit the application before the Hon'ble NCLT Court for final approval of the Resolution Plan. The application has since been submitted before the Hon'ble NCLT Court. The consolidated financial results, therefore, have been prepared on going concern basis.

2. The above results have been reviewed and recommended by the Board of Directors (suspended) as well as the Resolution Professional at the management meeting held on 11th November, 2022.
3. The above results, except the Financial Results of Subsidiary Company, MBE Coal & Mineral Technology India Private Limited, have been reviewed by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Group is primarily engaged in a single business segment, viz. "manufacturing and designing of engineering products" and predominantly operates in one Geographical segment. Hence, in the opinion of the Chief Operating decision maker, the Group's operation comprises of only one reporting segment. Accordingly, there are no separate reportable segments, as per Indian Accounting Standard 108 on "Segment Reporting".



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A LOHIA

5. The Holding Company has been categorized as Non-Performing Asset by the lender banks. Consequently, majority of the lender banks have stopped debiting interest on their debts. The Holding Company has not recognised interest expense on Bank borrowings and on Inter-Corporate Borrowings since the financial year ended 31st March, 2020 and till end of financial year ended 31st March 2021, the said interest expenses not recognised had been Rs. 6747 Lakhs and Rs. 1260 Lakhs on Bank Borrowings and Inter-Corporate Borrowings respectively. The CIRP has since been initiated against the Holding Company on and from 11th February, 2021 pursuant to the order passed by the Hon'ble NCLT Court, Kolkata Bench in the matter of the application filed by one of the lender banks and in the process based on the claims submitted by the lender banks, the claims admitted by the Resolution Professional, uploaded in the Holding Company's website are Rs.23,226 lakhs in aggregate [excluding admitted claims of the financial creditors (a) relating to the Bank Borrowings of Parent Company, McNally Bharat Engineering Company Limited against which Holding Company had issued a corporate guarantee and created exclusive first charge of fixed assets at Kumardhubi Unit-1 and (b) claims of the related parties] and Rs.63 lakhs against Inter-Corporate Borrowing claims.
6. The Holding Company has changed its intention to earn rental income and discontinued recognising investment property from April 2022. So net carrying value of the said asset Rs. 355 Lakhs is transferred to Property, Plant and Equipment.
7. The Group had recognised Deferred Tax Assets amounting to Rs. 6,234 lakhs upto 31st March, 2019. Under the present circumstances, as stated in para (1) above, Group had not recognised Deferred Tax Assets thereafter taking a conservative approach.
8. Figures for the previous quarters/periods have been regrouped/ rearranged wherever considered necessary.

Place : Kolkata
Dated: 11th November, 2022

PURAJIT
ROY
(Purajit Roy)
Chief Financial Officer

JITENDRA
LOHIA
(Jitendra Lohia)
Resolution Professional



Menally Sayaji Engineering Limited
STATEMENT OF ASSETS AND LIABILITIES - CONSOLIDATED

(All amounts are in Rs lakhs, unless otherwise stated)

Particulars	As at	As at
	30th September 2022	31st March 2022
	(Unaudited)	(Audited)
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	11,738	11,048
Capital Work-in-Progress	20	20
Investment Properties	-	355
Intangible Assets	5	6
Financial Assets		
Investments	-	-
Trade Receivables	706	939
Other Financial Assets	701	770
Deferred Tax Assets (Net)	6,234	6,234
Other Non-current Assets	134	134
Total Non-Current Assets	19,528	20,106
Current Assets		
Inventories	5,122	5,300
Financial Assets		
Trade Receivables	7,951	7,925
Cash and Cash Equivalents	2,821	1,978
Bank Balances Other than Cash and Cash Equivalents	299	116
Other Financial Assets	719	720
Current Tax Assets (Net)	266	228
Other Current Assets	2,253	2,516
Total Current Assets	19,431	18,783
Total Assets	38,959	38,889
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	1,259	1,259
Other Equity		
Reserves and Surplus	698	1,006
Total Equity	1,957	2,265
LIABILITIES		
Non-Current Liabilities		
Financial Liabilities		
Lease Liabilities	162	169
Provisions	145	145
Employee Benefit Obligations	337	347
Total Non-Current Liabilities	644	661
Current Liabilities		
Financial Liabilities		
Borrowings	22,382	22,352
Lease Liabilities	42	42
Trade Payables		
A. Total Outstanding Dues of Micro Enterprises and Small Enterprises	314	347
B. Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	6,522	6,718
Other Financial Liabilities	1,976	1,874
Provisions	64	68
Employee Benefit Obligations	84	84
Other Current Liabilities	4,973	4,477
Total Current Liabilities	36,357	35,962
Total Liabilities	37,002	36,623
Total Equity and Liabilities	38,959	38,889

Also refer to the accompanying notes

PURAJIT ROY
Purajit Roy
Chief Financial Officer

JITENDRA LOHIA
CA Jitendra Lohia
Resolution Professional
(IBBI/IPA/P00170/2017-18/10339)

Place : Kolkata
Date : 11th November, 2022



McNally Sayaji Engineering Limited

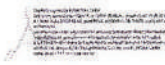
Consolidated Statement of Cash Flows for the half year ended 30th September, 2022

	Half Year Ended 30th Sept 2022	Half Year Ended 30th Sept 2021
Cash flow from Operating Activities		
Profit/(Loss) before Tax	(325)	22
Adjustments for :-		
Depreciation and Amortisation Expense	320	328
Interest Income	(31)	(8)
Finance Costs	178	158
Reclassification of Indas-116	-	11
Provision for Bad and Doubtful Trade Receivables	10	89
Liabilities No Longer Required Written Back	(17)	(6)
Provision No Longer Required Written Back	(59)	-
Provision for Warranty	(5)	43
Net Exchange Differences	(16)	1
Cash flow from Operating Activities before change in Operating Assets and Liabilities	54	638
Decrease / (Increase) in Trade and Other Receivables	550	(755)
Decrease / (Increase) in Inventories	178	375
Increase / (Decrease) in Trade and Other Payables	434	(426)
Increase / (Decrease) in employee benefit obligations	(65)	7
Cash generated from operations	1,151	(160)
Income Taxes paid	(39)	172
Net Cash Inflow from Operating Activities	1,112	12
Cash Flows from Investing Activities		
Purchase of Property, Plant and Equipment	(44)	(13)
Interest Received	31	8
Fixed Deposit matured	(101)	-
Net cash inflow (outflow) from investing activities	(114)	(5)
Cash flows from financing activities		
Repayment of Borrowings	23	(8)
Interest paid	(178)	(158)
Net increase in Cash Credit Facilities including WCDL	-	590
Net cash inflow (outflow) from financing activities	(155)	424
Net increase (decrease) in Cash and Cash Equivalents	843	431
Cash and Cash Equivalents at Opening of the period	1,978	1,091
Cash and Cash Equivalents at End of the period	2,821	1,522
<i>Reconciliation of cash and cash equivalents as per the cash flow statement</i>		
Cash and Cash Equivalents as per above comprise of the following	30th Sep 22	30th Sep 21
Cash and Cash Equivalents	2,821	1,522
Balances per Statement of Cash Flows	2,821	1,522

Also refer to the accompanying notes

PURAJIT ROY

Purajit Roy
 Chief Financial Officer

JITENDRA LOHIA

CA Jitendra Lohia
 Resolution Professional
 (IBBI/IPA/P00170/2017-18/10339)

Place : Kolkata

Date : 11th November, 2022



Independent Auditor's Report on the Limited Review of the Unaudited Consolidated Financial Results for the Quarter and Half Year ended 30th September, 2022 of McNally Sayaji Engineering Limited pursuant to the Regulation 33 of the SEBI (Listing and Obligations Disclosure Requirements) Regulations, 2015, as amended

**The Resolution Professional of
McNally Sayaji Engineering Limited
Campus 2B, Ecospace Business Park
11F/12 Rajarhat, New Town
Kolkata – 700156**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MCNALLY SAYAJI ENGINEERING LIMITED** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the Quarter and Six months ended 30th September, 2022 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated 19th July, 2019 ("the Circular").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Resolution Professional, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, 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 Engagements (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 from material misstatement. A review is limited primarily to enquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. 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.



5. Basis for Adverse Conclusion

Non-Recognition of Interest Expense

The Holding Company has not recognised interest expense on Bank borrowings amounting to Rs.9,552 Lakhs and on Inter corporate Borrowings amounting to Rs. 2,146 Lakhs upto 30th September, 2022 as referred in Note 5 of the statement. The CIRP has since been initiated against the Holding Company on and from 11th February, 2021 pursuant to the order passed by the Hon'ble NCLT Court, Kolkata Bench in the matter of the application filed by one of the lender banks and in the process based on the claims submitted by the lender banks. The claims admitted by the Resolution Professional, uploaded in the Company's website are Rs.23,226 lakhs in aggregate (excluding admitted claims of the financial creditors relating to the Bank Borrowings of Parent Company, McNally Bharat Engineering Company Limited against which Company had issued a corporate guarantee and created exclusive first charge on the fixed assets of Kumardhubi Unit-1) and Rs.63 lakhs against Inter-Corporate Borrowing claims. As a result, finance costs, liability on account of interest and total comprehensive loss till 30th September, 2022 are understated to that extent.

This constitutes a material departure from the requirements of Indian Accounting Standard 109 "Financial Instruments".

6. Based on our review conducted as stated in Paragraph 3 above, and for reasons stated in Paragraph 5 above, the Statement of Unaudited Consolidated Financial Results has not been prepared in accordance with the applicable Indian Accounting Standards and other recognised accounting practices and policies and 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 whether it contains any material misstatement.

7. Emphasis of Matters

a) Material uncertainty related to Going Concern

We draw attention to Note 1 to the Statement that the Group has reported net loss of Rs.180 Lakhs (before comprehensive income) during the quarter ended 30th September, 2022. The ability to continue as a going concern is dependent upon many factors including continued support from the financial creditors, operational creditors, customers and submission of viable resolution plan by the prospective investor. These events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the acceptance of the resolution plan by the Committee of Creditors.



b) Recognition of Deferred Tax Assets

We draw attention to Note 7 to the Statement that the Group had recognised deferred tax assets of Rs. 6,234 Lakhs upto 31st March, 2019 expecting adequate future taxable profits to the Group against which the deferred tax assets can be realised, which is solely dependent on the acceptance of the resolution plan. However, the Group has not recognised further deferred tax assets thereafter on prudent basis.

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

8. Other Matter

The Statement includes the results of MBE Coal & Mineral Technology India Private Limited, a wholly owned subsidiary of the Holding Company.

We review the financial information of one subsidiary included in the Statement whose financial information, reflect total revenue of Rs. 267 Lakhs and total comprehensive loss of Rs. 189 Lakhs as considered in the statement for the period ended 30th September, 2022. These Financial results/information are certified by the management.

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

For **V. SINGHI & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 311017E



(Handwritten signature)

Place: Kolkata
Date: 11th November, 2022

(D.Pal Choudhury)
Partner
Membership No. 016830
UDIN:22016830BCWGPE8212