

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

(Rs In Lakhs except EPS)

| Particulars  | Quarter Ended      |                    |                    | Year Ended          |  |
|--|--------------------|--------------------|--------------------|---------------------|--|
|  | 30-Jun-17          | 31-Mar-17          | 30-Jun-16          | 31-Mar-17           |  |
|  | Unaudited          | Audited            | Unaudited          | Audited             |  |
| 1 (a) Revenue from Operations                                      | 25,845.25          | 41,279.60          | 23,795.98          | 121,072.83          |  |
| (b) Other Income   | 148.46             | 877.01             | 139.81             | 1,285.86            |  |
| <b>Total Income from operations</b>                                | <b>25,993.71</b>   | <b>42,156.61</b>   | <b>23,935.79</b>   | <b>122,358.69</b>   |  |
| 2 <b>Expenses</b>  |                    |                    |                    |                     |  |
| (a) Direct Expenses  | 34,319.60          | 42,394.73          | 25,055.82          | 133,605.82          |  |
| (b) Employees Cost   | 1,234.90           | 1,465.83           | 1,766.49           | 6,188.22            |  |
| (c) Finance Costs  | 22,740.26          | 21,995.59          | 21,599.06          | 89,884.43           |  |
| (c) Depreciation   | 4,818.69           | 4,771.14           | 4,869.91           | 19,443.09           |  |
| (d) Other Expenditure  | 1,169.59           | 211.37             | 1,014.45           | 2,940.41            |  |
| <b>Total Expenses</b>  | <b>64,283.04</b>   | <b>70,838.66</b>   | <b>54,305.73</b>   | <b>251,861.96</b>   |  |
| 3 <b>Profit before exceptional items (1-2)</b>                     | <b>(38,289.34)</b> | <b>(28,682.05)</b> | <b>(30,369.94)</b> | <b>(129,503.27)</b> |  |
| 4 Exceptional Items  |                    |                    |                    |                     |  |
| 5 <b>Profit before tax (3-4)</b>                                   | <b>(38,289.34)</b> | <b>(28,682.05)</b> | <b>(30,369.94)</b> | <b>(129,503.27)</b> |  |
| 6 Tax Expenses   |                    |                    |                    |                     |  |
| 7 <b>Net Profit for the period (5-6)</b>                           | <b>(38,289.34)</b> | <b>(28,682.05)</b> | <b>(30,369.94)</b> | <b>(129,503.27)</b> |  |
| 8 Other Comprehensive Income (OCI), Net of tax                     |                    |                    |                    |                     |  |
| A) Items that will not be reclassified to profit & loss            | -                  | 72.40              | 53.08              | 225.63              |  |
| B) Items that will be reclassified to profit & loss                |                    |                    |                    |                     |  |
| 9 <b>Total Comprehensive Income (7+8)</b>                          | <b>(38,289.34)</b> | <b>(28,609.65)</b> | <b>(30,316.86)</b> | <b>(129,277.65)</b> |  |
| 10 Paid Up equity Share Capital (face value of share : Rs. 2 each) | 6,631.99           | 6,631.99           | 6,631.99           | 6,631.99            |  |
| 11 <b>Earnings per share (EPS) of Rs. 2 each (non annualized)</b>  |                    |                    |                    |                     |  |
| (a) Basic EPS  | (11.55)            | (8.65)             | (9.16)             | (39.05)             |  |
| (b) Diluted EPS  | (11.55)            | (8.65)             | (9.16)             | (39.05)             |  |

See accompanying notes to the financial results

Standalone Segment-wise Revenue, Result, Assets and Liabilities in terms of Regulation 33 of the SEBI (Listing Obligations and Other Disclosure Requirements) Regulations, 2015

(Rs In Lakhs except EPS)

| Particulars  | Quarter Ended       |                    |                    | Year Ended          |  |
|--|---------------------|--------------------|--------------------|---------------------|--|
|  | 30-Jun-17           | 31-Mar-17          | 30-Jun-16          | 31-Mar-17           |  |
|  | Unaudited           | Audited            | Unaudited          | Audited             |  |
| 1 <b>Segment Revenue</b>   |                     |                    |                    |                     |  |
| (a) Contracts  | 24,111.77           | 39,353.17          | 22,648.10          | 116,247.78          |  |
| (b) Equipment Hiring   | 966.14              | 956.03             | 1,077.56           | 4,018.09            |  |
| (c) Trading  | 1,625.57            | 1,824.22           | 975.33             | 4,320.79            |  |
| <b>Total</b>   | <b>26,703.49</b>    | <b>42,133.42</b>   | <b>24,700.99</b>   | <b>124,586.66</b>   |  |
| Less: Inter Segment Revenue                                      | 858.24              | 853.82             | 905.02             | 3,513.83            |  |
| <b>Net Segment Revenue</b>                                       | <b>25,845.25</b>    | <b>41,279.60</b>   | <b>23,795.97</b>   | <b>121,072.83</b>   |  |
| 2 <b>Segment Results (Profit/ (Loss) Before Interest and Tax</b> |                     |                    |                    |                     |  |
| (a) Contracts  | (14,785.72)         | (5,074.74)         | (8,225.45)         | (36,104.61)         |  |
| (b) Equipment Hiring   | (717.92)            | (732.02)           | (683.07)           | (2,900.53)          |  |
| (c) Trading  | 63.48               | 93.21              | 33.83              | 123.08              |  |
| <b>Total</b>   | <b>(15,440.15)</b>  | <b>(5,713.55)</b>  | <b>(8,669.78)</b>  | <b>(38,882.05)</b>  |  |
| Less : i) Interest   | 22,700.73           | 21,888.90          | 21,560.35          | 89,335.36           |  |
| ii) Other Un-allocable Expenditure                               | -                   | (202.58)           | -                  | -                   |  |
| iii) Un-allocable income   | (148.46)            | (877.01)           | (139.81)           | (1,285.86)          |  |
| <b>Profit / (Loss) Before Tax (7+8)</b>                          | <b>(38,289.34)</b>  | <b>(28,682.05)</b> | <b>(30,369.94)</b> | <b>(129,503.27)</b> |  |
| 3 <b>Segment Assets</b>  |                     |                    |                    |                     |  |
| (a) Contracts  | 580,322.35          | 591,116.54         | 645,270.94         | 591,116.54          |  |
| (b) Equipment Hiring   | 77,243.31           | 78,914.30          | 85,278.08          | 78,914.30           |  |
| (c) Trading  | -                   | -                  | -                  | -                   |  |
| (d) Other Un-allocable Assets                                    | 143,369.39          | 143,268.11         | 118,082.81         | 143,268.11          |  |
| <b>Total Assets</b>  | <b>800,935.05</b>   | <b>813,298.95</b>  | <b>848,631.83</b>  | <b>813,298.95</b>   |  |
| 4 <b>Segment Liabilities</b>                                     |                     |                    |                    |                     |  |
| (a) Contracts  | 920,612.29          | 894,653.47         | 835,053.57         | 894,653.47          |  |
| (b) Equipment Hiring   | 93,599.08           | 93,573.43          | 89,525.82          | 93,573.43           |  |
| (c) Trading  | -                   | -                  | -                  | -                   |  |
| (d) Other Un-allocable Liabilities                               | 673.12              | 673.12             | 768.39             | 673.12              |  |
| <b>Total Liabilities</b>   | <b>1,014,884.49</b> | <b>988,912.00</b>  | <b>925,347.78</b>  | <b>988,900.01</b>   |  |

See accompanying notes to the financial results

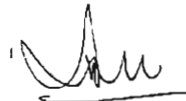
Era Infra Engineering Limited

## Notes

- 1 The above standalone results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 14th August, 2017.
- 2 The above results are in compliance with the Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs, as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016.
- 3 These results have been subjected to limited review by the statutory auditors
- 4 In view of no reasonable certainty of recovery of losses, deferred tax assets provision has not been recognized.
- 5 (a) The segment reporting is in accordance with the Indian Accounting Standards (Ind-AS) Ind-AS 108.  
b) The Primary Business segments of the Company mainly comprise of Contracts, Equipment Hiring and Trading.
- 6 Union Bank of India has approached the National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016 (IBC) for initiating corporate insolvency resolution process for the Company and the matter was last heard by NCLT on 25th July 2017 wherein NCLT has kept the order reserved.
- 7 With respect to emphasis of matter & qualified opinion as given by Statutory Auditors in the prior auditor report, limited reviews report and annual audit report for the year ended 31st March, 2017. management explanation is as follows:
  - a. *The management is in the process of obtaining new contracts and is also in process of realising the pending trade receivables by way of filing arbitration claims and other possible methods of amicable settlement. Large arbitration claims have been invoked and/or in the process of invocation, company is also taking other measures to revive the financial position/ improvement in the profitability of the company and in view of such measures the material uncertainties relating to events and condition do not cast significant doubt about the ability to continue as going concern.*
  - b. *The management is taking steps to minimize the litigations by way of settlement of the liabilities of the complainants and contesting the false litigations*
  - c. *The management is analyzing/ reconciling the outstanding trade receivables and take appropriate measures to recover by way of arbitration/legal proceeding.*
  - d. *The management is in the process of discussions/ reconciliation with suppliers/ contractors to ensure the timely supply of material and hence timely*
  - e. *The management is considering to devise a programme for verification of Work in Progress.*
  - f. *Diminution has not been considered for all road projects (BOT/Annuity) in subsidiaries' and associates as works on such projects is in progress and*
  - g. *Previously, due to financial constraints and mismatch of cash inflow, there has been a delay in depositing the statutory dues. Now the Company is*
  - h. *Due to slow down in infrastructure sector company was unable to meet its interest and principal repayment obligations towards its lender. The*
  - i. *Company is in process of complying with secretarial non compliances and many of such non compliances are finished in recent quarter*
  - j. *The Company is in the process of identifying the MSME suppliers and has sent written representations to its suppliers to confirm whether or not they are registered under the MSME Act, 2006 and the company is awaiting reply from them.*
  - k. *The other points of the auditors which have not been addressed in the above paras are self-explanatory and no further clarification is necessary*
  - l. *In regard to non recognition of revenue and impairment due to Ind AS 11, IND AS 36 management opinion that recognition of would lead to overstatement of revenue and their by non provision of impairment is proper, in view of this company is in compliance with all Ind-ASs.*
- 8 The figures of the last quarter are the balancing figure between audited figures in respect of full financial year and published year to date figure upto third quarter of the respective financial year.

Place : Noida  
Date : 14th August, 2017

For and on behalf of the board of directors



HS Bharana  
Chairman & Managing Director

**Limited Review Report on Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To Board of Directors of

**Era Infra Engineering Limited**

We have reviewed the accompanying standalone statement of unaudited financial results of **Era Infra Engineering Limited** ("the company") for the quarter ended on 30<sup>th</sup> June, 2017 prepared as per applicable Indian Accounting Standards (Ind-AS) being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July, 2016. This 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 these financial statements based on our review.

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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We believe that our review provides a reasonable basis for in continuations of our **qualified opinion** which was reported in the year ended 31<sup>st</sup> March, 2017 which has been incorporated as below. Based on review of the quarter ending June, 2017, we have updated the status, accordingly. Based on updation during the quarter & on the basis of non-determination of impact in current quarter clubbed with material uncertainty, the true & fair view can be expressed with respect to items indicated as below:

*Basis of adverse opinion*

- 1. The Company has been incurring losses from prior years and quartets including in the current quarter due to which the entire net worth of the Company had been eroded as reported in March, 2016. The accumulated losses of INR 284089.05 Lakhs are more than the entire net-worth as on 31.03.2017.*
- 2. The Company is contesting material litigations against it including winding up petitions and matters under section 138 of the Negotiable Instruments Act, 1881 as amended thereto. The possible impact is not determinable as on date.*
- 3. Out of the total trade receivables of INR 306657.30 Lakhs as on 30.06.2017 INR 249166.96 Lakhs are outstanding from the period prior to 01.04.2015;*



- a. *These are slow moving as partly received or non-moving as no movement due to delay in obtaining confirmation and subsequent reconciliation. In some cases invoices raised by the Company are to be recognised by these customers which includes joint ventures, associates and other related parties, considering the non-recoverability since long, these needs to be impaired;*
- b. *The management is of the opinion that as the Company has*
- (i) Identified many cases during the quarter & have already started process of invoking the arbitration and shortly expect to file in all the identified cases.*
  - (ii) undertaken confirmation and reconciliation process along-with of its dues/claims in other than arbitration cases.*
  - (iii) been continuously updating the documentation, it is not appropriate to make any provision at this point of time which may dilute the recovery of these receivables. Provisions in the books of accounts will be made at the time of finalization of matters;*
4. *Out of the total 'Other short term loans & advances' of INR 124904.22 Lakhs as on 30.06.2017 (excluding claims for invocation of Bank Guarantee), INR 102476.55 lakhs are outstanding from the period prior to 01.04.2015. Based on updated document regarding the terms & conditions and written confirmation, it cannot be ascertained whether the amounts will be recovered or goods & services will be received in future, considering the non-recoverability or material against these advances since long, these should be impaired.*
- Since, these are quite old advances the management is of the view that ongoing confirmation and reconciliation process is under progress and management is reviewing and will impair on getting finality and shall make further provision only on completion of the process including as provided under the applicable laws.*
5. *As mentioned above in paragraph 4, a claim of INR 21147.27 lakhs as on 30.06.2017 and INR 4538.52 lakhs for the quarter under review, pertains to invocation of Performance and other Bank Guarantees are receivable due to noncompliance of terms & conditions of the contract. The management has initiated the legal process for recovery of the said claim. Continuing the non-compliance these needs to be impaired.*
6. *A sum of INR 16895.72 Lakhs as on 30.06.2017 under Capital advances is outstanding since long. The management has initiated the process of recovery of the amount of loans & advances or receipt of goods & services there – against. Due to non – recovery and non-receipt of material against these, needs to be impaired.*
7. *During the year, the company is developing a program for physical verification of work -in progress, of INR 59315.64 Lakhs recognised in books as on 30.06.2017. On completion of physical verification & post reconciliation with the records, discrepancies will be written off. For raw material & other inventory management has completed the physical verification, is under process of reconciling the difference and discrepancies are getting adjusted on ongoing reconciliation. For work-in-progress the amount needs to be impaired as it is difficult to assess the physical stock of work-in-progress.*



8. *The Company has made investments in securities, non – current & current, of / through its subsidiaries, associates, Joint ventures & group companies. In case of four subsidiaries Bareilly Highways Projects Limited, Haridwar Highways Project Limited, Dehradun Highways Project Limited & West Haryana Highways Projects Private Limited and in case of two associates Gwalior Bypass Projects Limited & Hyderabad Ring Road Project Private Limited, considering the accumulated losses in these and in others, the management is of view since these investee entities business is toll / annuity based which has a long gestation period, & also arbitration claims will be filed, the impairment, if any, is considered to be temporary in nature. In three subsidiaries considering the qualification impairment & considering the slow progress of status of above entities diminution in the value of investments cannot be assessed.*
9. *There is delay in deductions & deposit of statutory dues including VAT, service - tax, excise & customs duty, income tax, royalty, labour cess, entry tax, provident fund etc. & other similar dues, returns and forms. Provisions of interest on delay of these have not been recognised & exact quantum is not determinable, as delay on overall basis and for the quarter under review, reconciliations are under progress.*

*The quantum of impact due to above is not determinable as on date and will be quantified or disclosed on the final assessment.*

10. *The Union bank of India, lead banker of the consortium member bank of the company has referred the company to the National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code, 2016 (IBC) and the matter is pending with the Hon'ble NCLT, Delhi. The lead banker has also applied to the EG CDR cell for withdrawal from CDR scheme and is pending for further order.*

*The quantum of impact due to above is not determinable as on date and will be quantified or disclosed on the final outcome of the above order of Hon'ble NCLT, Delhi and EG CDR cell. The estimated amount of liability due to withdrawal from CDR scheme as on date the possible impact due to this is non determinable as on date. As disclosed in contingent liabilities is INR 56052.10 lakhs, however this is subject to change in the final working.*

11. *The loans provided by lenders under consortium had been reclassified as Non-Performing Assets (NPA) by all the Lenders.*
12. *For earlier non-compliances the Company is in the process of complying with the relevant provisions of the Companies Act 2013 & the SEBI Act, 1992, as amended, with respect to, quorums, meetings of Board of Directors, various committees, submission & publication of quarterly results, filing of various forms & declarations, compliance with listing regulations etc.*
13. *Compliance & records relating to the related parties are being updated. MGT - 14 relating approval of Board of Directors for issue of debentures is still pending. The appointment of woman director & common director to material subsidiaries, is under progress.*
14. *The stock exchanges have levied a penalty of INR 33.22 Lakhs for non-publishing & filing of results of quarter ended 30<sup>th</sup> June & 30<sup>th</sup> September, 2015 on time. Management expects it to be waived off.*



15. The observations on report of Companies Auditor's Report Order( CARO),2016 ,para 7(a) as on 31<sup>st</sup> March, 2017 are as:

(a) The undisputed amount of statutory dues including Provident fund, ESI, VAT, WCT, TDS, Service tax etc. more than six month old as on 31.03.2017 are INR 4959.95 Lakhs, as stated during the quarter.  
The final amounts will be disclosed on annual audit.

(b) The managerial remuneration in case of respected Chairman & Managing Director (CMD) is excess as per the approval of central government. As per management there is some typographic error in the approval letter, for which clarification has been sought & expect to be corrected soon.  
The necessary clarifications have not been received as yet.

16. The company has not obtained and filed shareholding pattern for the quarter ended 30.06.2017 with the stock exchange.

As a consequence of above qualification explicit unreserved statements for compliance of all IND AS is not in compliance with requirement of IND AS.

Based on our review and information and explanation provided to us, we report that impact of above paragraph 1 to 16 cannot be assessed with reasonable degree of accuracy in view of the present situation arising out of uncertainty inherent in the processing of claims, suits and litigations filed by the company including the ongoing physical verification of the inventory. Hence, we cannot express true & fair view of aforesaid amounts and mentioned in above paragraphs and other items for which impact is not determinable for reasons mentioned above.

Based on the above in the quarterly financial results, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with recognition and measurement principles laid down in Accounting Standard AS-34 'Interim Financial Reporting' ("IND AS 34") [notified pursuant to the Companies (Accounting Standards) Rules, 2015 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement except as above.



Date: 14.08.2017  
Place: Noida

For S. S. Kothari Mehta & Co.  
(Chartered Accountants)  
Firm Registration No.: 000756N

A handwritten signature in black ink, appearing to read "Neeraj Bansal".

(Neeraj Bansal)  
Partner  
Membership No.: 095960