



BGR ENERGY SYSTEMS LIMITED

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018 INDIA
TEL: 91 44 24326171, 24326174 FAX: 91 44 24360576
E-mail: compliance@bgrenergy.com Web site: www.bgrcorp.com

February 14, 2024

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400051

BSE Limited
Department of Corporate Services
P J Towers, Dalal Street,
Fort, Mumbai- 400001

NSE Symbol: BGREENERGY

BSE Scrip: 532930

Dear Sir/Madam,

Sub: Outcome of the Board Meeting

The Board of Directors of the Company at its meeting held today (i.e) Wednesday, February 14, 2024, *inter-alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months period ended December 31, 2023.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith enclose the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months period ended December 31, 2023; and
2. Limited Review Report(s) on (1) above.

The Board Meeting commenced at 4.15 p.m. and concluded at 7.35 p.m.

This is for your information and record.

Thanking You,

**Yours truly,
For BGR Energy Systems Limited**


S. Krishna Kumar
President & Company Secretary

Encl.: As above

REGISTERED OFFICE:

A-5 PANNAMIGADU INDUSTRIAL ESTATE, RAMAPURAM POST, SULURPET TALUK, NELLORE DISTRICT, ANDHRA PRADESH 524401 INDIA
TEL: 91 44 27900181, 27948549 FAX: 91 44 27948249
Corporate Identity Number: L40106AP1985PLC005318

BGR ENERGY SYSTEMS LIMITED

Reg Off : A-5 Pannamgadu Industrial Estate, Ramapuram Post. Sullurpet Taluk, Nellore District. Andhra Pradesh 524401

Corp.Off: 443, Anna Salai, Teynampet, Chennai 600018 Ph: +91 44 24301000, Fax: +91 44 24364656

Corporate Identity Number: L40106AP1985PLC005318 Email: compliance@bgrenergy.com Website: www.bgrcorp.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

Rs.Lakhs

	Particulars	STANDALONE					
		Quarter ended			Nine Months ended		Year ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
(a)	Revenue from operations	46201	23524	24617	84220	69960	80627
(b)	Other income	1028	78	1633	1234	2959	5129
	Total Income	47229	23602	26250	85454	72919	85756
2	Expenses						
(a)	Cost of raw materials and components consumed	76845	19332	12728	106259	37183	55912
(b)	Cost of manufacturing and construction	1953	1809	2521	5839	8666	12333
(c)	Other direct cost	1009	583	358	1848	1157	1471
(d)	Changes in inventories of finished goods, stock in trade and work in progress	-	-	(7)	-	(422)	118
(e)	Employee benefits expense	2713	2877	3118	8532	9588	12555
(f)	Depreciation and amortization expense	333	343	393	1033	1218	1674
(g)	Finance costs	11739	10244	10134	31946	30043	39942
(h)	Other expenses	8147	1650	4531	10977	20779	25270
	Total expenses	102739	36838	33776	166434	108212	149275
3	Profit/(Loss) before exceptional items and tax (1-2)	(55510)	(13236)	(7526)	(80980)	(35293)	(63519)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3+4)	(55510)	(13236)	(7526)	(80980)	(35293)	(63519)
6	Tax expense	13268	(2597)	(1705)	7532	(8529)	(15665)
7	Net Profit / (Loss) for the period (5-6)	(68778)	(10639)	(5821)	(88512)	(26764)	(47854)
8	Other Comprehensive Income (OCI)	3	13	(8)	15	(39)	(18)
9	Total Comprehensive Income / (Loss) for the period (7+8)	(68775)	(10626)	(5829)	(88497)	(26803)	(47872)
10	Paid -up equity share capital (Face value of the share Rs.10 each)	7216	7216	7216	7216	7216	7216
11	Reserves (excluding revaluation reserve)						33106
12	Earnings per Share (EPS) (of Rs. 10 each) (not annualised)						
	a) Basic	(95.31)	(14.75)	(8.07)	(122.66)	(37.09)	(66.32)
	b) Diluted	(95.31)	(14.75)	(8.07)	(122.66)	(37.09)	(66.32)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs.Lakhs

Particulars	STANDALONE					
	Quarter ended			Nine Months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) Capital Goods	5964	6767	6804	16530	15600	19364
b) Construction and EPC Contracts	40257	16757	17818	67784	54423	61499
c) Unallocated	-	-	-	-	-	-
Total	46221	23524	24622	84314	70023	80863
Less: Inter Segment Revenue	20	-	5	94	63	236
Net Sales/Income from Operations	46201	23524	24617	84220	69960	80627
2. Segment Results Profit (+) / (Loss) (-) before tax and interest						
a) Capital Goods	(2188)	578	1136	(1274)	1738	1178
b) Construction and EPC Contracts	(41577)	(3562)	1472	(47874)	(7000)	(25239)
c) Unallocated	(6)	(8)	-	114	12	484
Total	(43771)	(2992)	2608	(49034)	(5250)	(23577)
Less: Interest	11739	10244	10134	31946	30043	39942
Total Profit / (Loss) Before Tax	(55510)	(13236)	(7526)	(80980)	(35293)	(63519)
3. Segment Assets						
a) Capital Goods	28518	30208	29465	28518	29465	27696
b) Construction and EPC Contracts	396359	416192	435100	396359	435100	412329
c) Unallocated	39817	52689	44234	39817	44234	48118
Total	464694	499089	508799	464694	508799	488143
4. Segment Liabilities						
a) Capital Goods	20191	13451	12673	20191	12673	10928
b) Construction and EPC Contracts	449497	426146	418238	449497	418238	413786
c) Unallocated	43182	38892	16496	43182	16496	23107
Total	512870	478489	447407	512870	447407	447821



Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at the respective meetings held on February 14, 2024.
- 2 The financial results for the quarter and nine months ended December 31, 2023 of the company on standalone basis have been subjected to a "Limited Review" by the Statutory Auditors of the Company.
- 3 These Standalone Financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. The Interim Standalone Financial results are prepared and presented in accordance with the significant accounting policies and methods, as adopted in the audited standalone financial statements for the year ended 31st March 2023.
- 4 During the 3rd quarter, the Company received communication from the banks regarding classification of credit exposure of the Company as Substandard pursuant to RBI divergence report. The Company enjoys credit facility from 12 banks amounting to Rs.3894 crs. Out of this, 8 banks have classified the account as NPA amounting to Rs.3346 crs .

During the quarter, the Company has accounted for termination/short closure of certain contracts and revision of project budget which has impacted the turnover.

The promoters have infused funds in the form of Unsecured loan. The Company is taking efforts for debt restructuring and infusion of strategic investor. The Company is making all efforts of implementing a restructuring plan and therefore the accounts of the Company has been prepared on "Going concern basis".

- 5 The income from operations includes claim settlement of Rs.663 crs received from a customer during the quarter.
- 6 Pursuant to the orders of the The Honourable Rajasthan High court on 21.12.2023, the Company received demand notice from the Rajasthan VAT authorities amounting to Rs.508.69 crs (Tax Rs.145.52 crs and Interest Rs.363.17 crs) on 12.01.2024. The Company is taking steps to file a SLP with Honourable Supreme court.
- 7 The figures for the previous period have been regrouped/rearranged wherever necessary to conform to the current period's classification.

for BGR ENERGY SYSTEMS LIMITED

Place : Chennai
Date : Feb 14, 2024


ARJUN GOVIND RAGHUPATHY
Managing Director



BGR ENERGY SYSTEMS LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

Rs.Lakhs

	Particulars	CONSOLIDATED					
		Quarter ended			Nine Months ended		Year ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income						
(a)	Revenue from operations	46216	23524	24617	84235	69960	80627
(b)	Other income	1052	100	1185	1302	2541	5038
	Total Income	47268	23624	25802	85537	72501	85665
2	Expenses						
(a)	Cost of raw materials and components consumed	77149	19335	12728	106566	37183	56085
(b)	Cost of manufacturing and construction	1953	1809	2521	5839	8666	12333
(c)	Other direct cost	1009	583	367	1848	1186	1471
(d)	Changes in inventories of finished goods, stock in trade and work in progress	-	-	(7)	-	(422)	118
(e)	Employee benefits expense	2782	2924	3179	8696	9793	12812
(f)	Depreciation and amortization expense	333	347	394	1038	1221	1675
(g)	Finance costs	11739	10244	10134	31946	30043	39942
(h)	Other expenses	8173	1692	4113	11095	20384	25673
	Total expenses	103138	36934	33429	167028	108054	150109
3	Profit/(Loss) before exceptional items and tax (1-2)	(55870)	(13310)	(7627)	(81491)	(35553)	(64444)
4	Exceptional items	-	-	-	-	-	-
5	Profit / (Loss) from ordinary activities before tax (3+4)	(55870)	(13310)	(7627)	(81491)	(35553)	(64444)
6	Tax expense	13268	(2596)	(1705)	7533	(8528)	(15664)
7	Net Profit / (Loss) for the period (5-6)	(69138)	(10714)	(5922)	(89024)	(27025)	(48780)
8	Other Comprehensive Income (OCI)	3	13	(8)	15	(39)	(18)
9	Total Comprehensive Income / (Loss) for the period (7+8)	(69135)	(10701)	(5930)	(89009)	(27064)	(48798)
10	Net Profit / (Loss) attributable to						
a)	Owners of the Company	(69031)	(10691)	(5892)	(88870)	(26946)	(48501)
b)	Non Controlling Interest	(107)	(23)	(30)	(154)	(79)	(279)
11	Other Comprehensive Income (OCI) attributable to						
a)	Owners of the Company	3	13	(8)	15	(39)	(18)
b)	Non Controlling Interest	-	-	-	-	-	-
12	Total Comprehensive Income attributable to						
a)	Owners of the Company	(69028)	(10678)	(5900)	(88855)	(26985)	(48519)
b)	Non Controlling Interest	(107)	(23)	(30)	(154)	(79)	(279)
13	Paid -up equity share capital (Face value of the share Rs.10 each)	7216	7216	7216	7216	7216	7216
14	Reserves (excluding revaluation reserve)						1972
15	Earnings per Share (EPS) (of Rs. 10 each) (not annualised)						
a)	Basic	(95.66)	(14.81)	(8.16)	(123.15)	(37.34)	(67.21)
b)	Diluted	(95.66)	(14.81)	(8.16)	(123.15)	(37.34)	(67.21)



SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

Rs.Lakhs

Particulars	CONSOLIDATED					
	Quarter ended			Nine Months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) Capital Goods	5964	6767	6804	16530	15600	19364
b) Construction and EPC Contracts	40272	16757	17818	67799	54423	61499
c) Unallocated	-	-	-	-	-	-
Total	46236	23524	24622	84329	70023	80863
Less: Inter Segment Revenue	20	-	5	94	63	236
Net Sales/Income from Operations	46216	23524	24617	84235	69960	80627
2. Segment Results Profit (+) / (Loss) (-) before tax and interest						
a) Capital Goods	(2188)	578	1136	(1274)	1738	1178
b) Construction and EPC Contracts	(41961)	(3658)	1358	(48453)	(7303)	(26218)
c) Unallocated	18	14	13	182	55	538
Total	(44131)	(3066)	2507	(49545)	(5510)	(24502)
Less: Interest	11739	10244	10134	31946	30043	39942
Total Profit / (Loss) Before Tax	(55870)	(13310)	(7627)	(81491)	(35553)	(64444)
3. Segment Assets						
a) Capital Goods	28518	30208	18045	28518	18045	27696
b) Construction and EPC Contracts	439746	459520	489534	439746	489534	455623
c) Unallocated	3924	16796	7933	3924	7933	12225
Total	472188	506524	515512	472188	515512	495544
4. Segment Liabilities						
a) Capital Goods	20191	13451	4381	20191	4381	10928
b) Construction and EPC Contracts	492917	469147	485399	492917	485399	456601
c) Unallocated	43182	38892	-	43182	-	23107
Total	556290	521490	489780	556290	489780	490636






Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at the respective meetings held on February 14, 2024.
- 2 The financial results for the quarter and and nine months ended December 31, 2023 of the company on consolidation basis have been subjected to a "Limited Review" by the Statutory Auditors of the Company.
- 3 The consolidated unaudited financial results includes the interim financial information of three subsidiaries and one joint venture, which have not been reviewed by their auditors and are considered based on accounts certified by their respective management.
- 4 The financial statements of the subsidiaries namely, BGR Boilers Private Limited for the year ended 31.03.2022 and 31.03.2023 and BGR Turbines Company Private Limited for the year ended 31.03.2023 are yet to be audited.
- 5 These Consolidated Financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. The Interim Consolidated Financial results are prepared and presented in accordance with the significant accounting policies and methods, as adopted in the audited consolidated financial statements for the year ended 31st March 2023.
- 6 During the 3rd quarter, the Company received communication from the banks regarding classification of credit exposure of the Company as Substandard pursuant to RBI divergence report. The Company enjoys credit facility from 12 banks amounting to Rs.3894 crs. Out of this, 8 banks have classified the account as NPA amounting to Rs.3346 crs .

During the quarter, the Company has accounted for termination/short closure of certain contracts and revision of project budget which has impacted the turnover.

The promoters have infused funds in the form of Unsecured loan. The Company is taking efforts for debt restructuring and infusion of strategic investor. The Company is making all efforts of implementing a restructuring plan and therefore the accounts of the Company has been prepared on "Going concern basis".

- 7 The income from operations includes claim settlement of Rs.663 crs received from a customer during the quarter.
- 8 Pursuant to the orders of the The Honourable Rajasthan High court on 21.12.2023, the Company received demand notice from the Rajasthan VAT authorities amounting to Rs.508.69 crs (Tax Rs.145.52 crs and Interest Rs.363.17 crs) on 12.01.2024. The Company is taking steps to file a SLP with Honourable Supreme court.
- 9 The figures for the previous period have been regrouped/rearranged wherever necessary to conform to the current period's classification.

for BGR ENERGY SYSTEMS LIMITED

Place : Chennai
Date : Feb 14, 2024



ARJUN GOVIND RAGHUPATHY
Managing Director



ANAND & PONNAPPAN

Chartered Accountants

Limited Review Report on review of Interim Standalone Financial Results

To
The Board of Directors,
BGR Energy Systems Limited.

Introduction:

We have reviewed the accompanying statement of Standalone unaudited financial results of **BGR Energy Systems Limited** (“the Company”) for the **quarter and nine months ended 31.12.2023** prepared by the company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“the Listing Regulations”).

The results included in the Statement which is the responsibility of the Company’s Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of 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 provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion:

Material uncertainty relating to Going concern:

The following events and/or transactions occurred during the period has created substantial doubt about the company's ability to continue as a going concern in the future, typically one year from the date of this interim financial statements, mainly:



- Classification of working capital borrowings held with Banks as “non-performing assets”, by all the lender Banks, despite regular servicing of interest obligation;
- Operational cash losses and working capital deficit on account of variable and fixed overheads (incl. finance cost and admin expenses);
- Termination/Short-Closure of material orders of the company other than present ongoing projects, which are under near completion and invocation of performance and advance bank guarantees issued thereon;
- The company has incurred net loss of Rs.88,512 lakhs during the period ended 31st Dec,2023 and has accumulated losses amounting to Rs.55,392 lakhs, which resulted in erosion in net worth of the company.

The Company’s Board of Directors are proposing to overcome the facts and conditions without elaborating on access to additional capital, infusion of funds by the promoter group and plans to reduce or delay expenditures.

In light of the significant events or conditions outlined above, we are of the view that the assumption as going concern of the company made by the management is inappropriate.

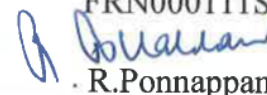
As a result of the aforesaid matters and on account of material uncertainties, we could not readily ascertain the possible material adjustments that may be required to be made in the value of recorded assets and liabilities and contingent liabilities, as at December 31,2023 and in respect of corresponding possible impact on the statement of profit and loss account (ie., financial performance) for the period ended on that date, could not be recorded in this standalone unaudited financial results.

Adverse Conclusion:

Based on our review, the possible effects of the matters as prescribed in the “*Basis of Adverse Conclusion*” paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of Standalone unaudited financial results prepared in accordance with the Indian Accounting Standards specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Anand & Ponnappan
Chartered Accountants

FRN000111S



R.Ponnappan

Partner

MRN:021695



Place: Chennai

Date: 14.02.2024

UDIN: 24021695BKCBAL5436

ANAND & PONNAPPAN

Chartered Accountants

Limited Review Report on review of Interim Consolidated Financial Results

To
The Board of Directors,
BGR Energy Systems Limited.

Introduction:

We have reviewed the accompanying statement of Consolidated unaudited financial results of **BGR Energy Systems Limited** (“the Parent”) and its subsidiaries (the parent and its subsidiaries together referred to as the “Group”), and its share of net profit/(loss) after tax and total comprehensive profit/(loss) of its joint ventures **for the quarter and nine months ended 31.12.2023** (“Statement”) prepared by the company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“the Listing Regulations”).

The results included in the Statement which is the responsibility of the Parent’s Management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of 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 parent’s personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

Exception:

The Statement includes the interim financial information of the following entities:



Subsidiaries:

- a. BGR Boilers Private Limited;
- b. BGR Turbines Company Private Limited;
- c. Sravanaa Properties Limited;

Joint Venture:

- a. Mecon Gea Energy System (India) Ltd (JV);

We did not review the Interim financial results of aforesaid three subsidiaries, whose financial results reflects, total income of Rs.124 lakhs and Rs.177 lakhs, total net loss after tax of Rs.360 lakhs and Rs.512 lakhs and total net comprehensive loss of Rs.360 lakhs and Rs.512 lakhs for the quarter ended and nine months ended 31st Dec,2023 respectively, as considered in the Interim consolidated financial results.

The consolidated unaudited financial results include the Group's share of total net loss after tax and total comprehensive income/ (loss) (net) of Rs. Nil for the quarter and period ended 31st Dec,2023 respectively, as considered in the Statement, in respect of this Joint, whose interim financial information has not been reviewed by us.

This interim financial information is unaudited and not reviewed by their respective auditors and has been furnished to us by the Parent's 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 such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our conclusion on the statement is not modified in respect of the above matters.

Basis for Adverse Conclusion**1. Unaudited Financial Statements of Subsidiaries:**

Attention is drawn to Note No. 4 to the Consolidated Unaudited Financial Results, wherein the financial results include unaudited financial results and other financial information of subsidiaries namely, BGR Boilers Private Limited for the year ended 31.03.2022 and 31.03.2023 and BGR Turbines Company Private Limited for the year ended 31.03.2023. These unaudited financial results as approved by the Board of Directors of the subsidiary companies have been furnished to us by the Management of the Parent Company and our report in so far as it relates to the amounts included in respect of this subsidiaries are based solely on such unaudited financial results. We are unable to comment on adjustments that may have been required to the accompanying consolidated financial results, had such unaudited financial results been audited.

2. Material uncertainty relating to Going concern:

The following events and/or transactions occurred during the period has created substantial doubt about the Group's ability to continue as a going concern in the future, typically one year from the date of this interim financial statements, mainly:



- Classification of working capital borrowings held with Banks as “non-performing assets”, by all the lender Banks, despite regular servicing of interest obligation;
- Operational cash losses and working capital deficit on account of variable and fixed overheads (incl. finance cost and admin expenses);
- Termination/Short-Closure of material orders of the company other than present ongoing projects, which are under near completion and invocation of performance and advance bank guarantees issued thereon;
- The Group has incurred net loss of Rs.89,024 lakhs during the period ended 31st Dec,2023 and has accumulated losses amounting to Rs.86,884 lakhs, which resulted in erosion in net worth of the Group.

The Parent’s Management and Board of Directors are proposing to overcome the facts and conditions without elaborating on access to capital, infusion of funds by the promoter group and plans to reduce or delay expenditures.

In light of the significant events or conditions outlined above, we are of the view that the assumption as going concern of the Group made by the management is inappropriate.

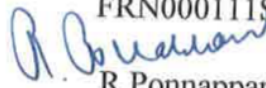
As a result of the aforesaid matters and on account of material uncertainties, we could not readily ascertain the possible material adjustments that may be required to be made in the value of recorded assets and liabilities and contingent liabilities, as at December 31,2023 and in respect of corresponding possible impact on the statement of profit and loss account (ie., financial performance) for the period ended on that date, could not be recorded in this consolidated unaudited financial results.

Adverse Conclusion:

Based on our review, with the exception to the matters described in the preceding paragraphs and possible effects of the matters as prescribed in the “Basis of Adverse Conclusion” paragraph, nothing has come to our attention that causes us to believe that the accompanying statement of Consolidated unaudited financial results prepared in accordance with the Indian Accounting Standards specified under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rule 2014 (as amended) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Anand & Ponnappan
Chartered Accountants

FRN00011115


R.Ponnappan

Partner

MRN:021695



Place: Chennai

Date: 14.02.2024

UDIN: 24021695BKCBAM6260