



**VALECHA**  
REDEFINING INFRASTRUCTURE

# **VALECHA ENGINEERING LIMITED**

## **47<sup>TH</sup> ANNUAL REPORT 2023-24**



**Board of Directors**

Mr. Bhushan Ravindra Sable	- Executive Director w.e.f. 14.08.2024
Mr. Shashikant Gangadhar Bhoge	- Executive Director w.e.f. 14.08.2024
Mr. Pradeep Khandagale	- Non-Executive Director w.e.f. 14.08.2024
Mr. Ashish Mittal	- Non-Executive & Independent Director w.e.f. 14.08.2024
Mr. Vipul Bansal	- Non-Executive & Independent Director w.e.f. 10.09.2024
Ms. Ashlesha Shachindra Raythattha	- Non-Executive & Independent Director w.e.f. 10.09.2024

**Chief Executive Officer** : Mr. Tarun Dutta

**Company Secretary & Legal** : Mr. Vijaykumar H. Modi

**Chief Financial Officer** : Mr. Anil S Korpe

**Auditors** : M/s. Bagaria & Co. LLP Chartered Accountants

**Bankers** : State Bank of India, Canara Bank, Axis Bank Ltd., DBS Bank India Limited., Central Bank of India and Yes Bank

**Registrars and Transfer Agents** : Link Intime India Private Limited upto 30.09.2024  
Bigshare Services Private Limited w.e.f. 01.10.2024  
PINNACLE BUSINESS PARK, Office No S6-2,  
6th floor, Mahakali Caves Rd, next to Ahura Centre,  
Andheri (East), Mumbai, Maharashtra 400093  
Phone: 022 6263 8200

**Registered Office** : "Valecha Chambers", 4<sup>th</sup> Floor, Andheri New Link Road, Andheri (West),  
Mumbai-400 053. Tel. : 022-42633200  
E-mail: investor.relations@valecha.in; <https://valecha.in>

CONTENTS	Page Nos.
Notice	4
Directors' Report	20
Report on Corporate Governance	28
Management Discussion and Analysis Report	37
Independent Auditor's Report	39
Balance Sheet	50
Statement of Profit & Loss	51
Cash Flow Statement	52
Significant Accounting Policies	53
Notes on Financial Statement	54
Salient Features of Subsidiary	86
Consolidated Financial Statement	87

## NOTICE

**NOTICE** is hereby given that the **47<sup>th</sup> Annual General Meeting** of the Members of the Company will be held on **Friday the 27.12.2024 AT 3 : 30 P.M.** at **Valecha Chambers New Link Road Andheri West Mumbai 400 053** to transact the following businesses:

**1. Adoption of Financial Statements** To consider and adopt:

- a) the Audited Financial Statements of the Company for the Financial Year ended **March 31, 2024** and the Report of the Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended **March 31, 2024** and the Report of Auditors thereon.

**2. APPOINTMENT OF THE STATUTORY AUDITORS**

To appoint **M/s. JAIN JAGAVAT KAMDAR & CO.**, Chartered Accountants, as Statutory Auditors of the Company to hold office for a period of 1 (One) consecutive financial years, from the conclusion of the **47<sup>th</sup> Annual General Meeting** of the Company until the conclusion of the **48<sup>th</sup> Annual General Meeting** of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force), **M/s. JAIN JAGAVAT KAMDAR & CO**, Chartered Accountants, (Firm Registration No.: 122530 W) be and are hereby appointed as Statutory Auditor of the Company at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditors in place of M/s. Bagaria & Co LLP, Chartered Accountants (Firm’s Registration No. 113447W/W100019), who retires as statutory auditor, at the conclusion of the 47<sup>th</sup> Annual General Meeting.

**3** To appoint **SHRI SHASHIKANT GANGADHAR BHOGE (DIN : 05345105)** as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), **SHRI SHASHIKANT GANGADHAR BHOGE (DIN : 05345105)** who was appointed as a Additional Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** anyone of the Director or **SHRI VIJAYKUMAR H MODI**, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

**4.** To appoint **MR SHASHIKANT GANGADHAR BHOGE (DIN : 05345105)**, as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and re-enactment thereof for the time being in force) and the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, consent of the members of the Company be and is hereby accorded for appointment of **MR SHASHIKANT GANGADHAR BHOGE (DIN: 05345105)**, Director as the Whole Time Director designated as Executive Director of the Company as the Promoter Director for a period of **THREE (3)** years with effect from **27.12.2024**, on the terms and conditions including remuneration as set out hereunder with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment.

I PERIOD : 3 years w.e.f. **27.12.2024**

A. SALARY : Presently no remuneration shall be paid to him till Company makes profit

B. Other Terms and Conditions:

- a. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.
- b. He shall be free to resign his office by giving three month advance notice in writing to the Company.

- c. The term of office of **MR SHASHIKANT GANGADHAR BHOGE** as a Whole time Director designated as Executive Director of the Company shall be subject to retire by rotation.

**RESOLVED FURTHER THAT SHRI SHASHIKANT GANGADHAR BHOGE** in the event ceasing to be the Director of the Company at any time during the aforesaid period of service, he shall cease to be the Whole time Director designated as Executive Director and Key Managerial Personnel of the Company and terms and conditions including remuneration, if any, shall forthwith stand concluded.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to revise, enhance, pay, alter and vary from time to time the terms and conditions of the appointment and/or remuneration in such manner as may be agreed to by the Board of Directors within the maximum amounts payable to the Directors in terms of the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule V of the Company Act. 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

5. To appoint **SHRI BHUSHAN RAVINDRA SABLE (DIN : 03268957)**, as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), **SHRI BHUSHAN RAVINDRA SABLE (DIN : 03268957)**, who was appointed as a Additional Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Executive Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** anyone of the Director or **SHRI VIJAYKUMAR H MODI**, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, filing of necessary forms, returns and submissions under the Act to give effect to this resolution.”

6. To appoint **SHRI BHUSHAN RAVINDRA SABLE (DIN : 03268957)**, as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) and re-enactment thereof for the time being in force) and the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, consent of the members of the Company be and is hereby accorded for appointment of **SHRI BHUSHAN RAVINDRA SABLE (DIN: 03268957)**, Director as the whole time Director designated as Executive Director of the Company as the Promoter Director for a period of **THREE (3)** years with effect from **27.12.2024**, on the terms and conditions including remuneration as set out hereunder with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment.

I PERIOD : 3 years w.e.f. **27.12.2024**

A. SALARY : Presently no remuneration shall be paid to him till Company makes profit.

B. Other Terms and Conditions:

- a. He shall not be entitled to any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.
- b. He shall be free to resign his office by giving three month advance notice in writing to the Company.
- c. The term of office of **SHRI BHUSHAN RAVINDRA SABLE (DIN: 03268957)**, as a Whole time Director of the Company shall be subject to retire by rotation.

**RESOLVED FURTHER THAT SHRI BHUSHAN RAVINDRA SABLE (DIN: 03268957)**, in the event ceasing to be the Director of the Company at any time during the aforesaid period of service, he shall cease to be the Whole time Director and Key Managerial Personnel of the Company and terms and conditions including remuneration, if any, shall forthwith stand concluded

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to revise, enhance, pay, alter and vary from time to time the terms and conditions of the appointment and/or remuneration in such manner as may be agreed to by the Board of Directors within the maximum amounts payable to the Directors in terms of the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment

thereof for the time being in force) read with schedule V of the Company Act. 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

7. To appoint **SHRI PRADEEP KISAN KHANDAGALE (DIN: 01124220)**, as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

Appointment of **SHRI PRADEEP KISAN KHANDAGALE (DIN : 01124220)** as Non-Executive Non Independent Director.

**“RESOLVED THAT** Pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force) (the “Act”), on the recommendation of Nomination and Remuneration Committee and the Board of Directors, **SHRI PRADEEP KISAN KHANDAGALE (DIN : 01124220)**, in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Non-Executive Non Independent Director, of the Company, liable to retire by rotation with effect from **27.12.2024**.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

8. To appoint **SHRI ASHISH MITTAL (DIN: 10331046)**, as Non-Executive & Independent Director of the Company.

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

**“RESOLVED THAT** subject to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and Regulations 16(1)(b), 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR”), Articles of Association of the Company and that of the Board of Directors of the Company, **SHRI ASHISH MITTAL (DIN: 10331046)**, who was appointed as an Director/Additional Director (designated as Non-Executive & Independent Director) effective from **14.08.2024**, and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Non-Executive & Independent Director of the Company to hold office for the first term of **five** consecutive years with effect from **27.12.2024 to 26.12.2029**, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

9. To consider and, if thought fit, to pass, with or without modification(s), the following as an **SPECIAL RESOLUTION**:

To appoint **SHRI VIPUL BANSAL (DIN : 00015967)**, as Director of the Company.

**“RESOLVED THAT** subject to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and Regulations 16(1)(b), 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR”), Articles of Association of the Company and that of the Board of Directors of the Company **SHRI VIPUL BANSAL (DIN : 00015967)**, who was appointed as an Director/Additional Director (designated as Non-Executive & Independent Director) effective from **10.09.2024**, and who has submitted a declaration that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Non-Executive & Independent Director of the Company to hold office for the first term of **five** consecutive years with effect from **27.12.2024 to 26.12.2029**, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

10. To appoint **MS. ASHLESHA SHACHINDRA RAYTHATTHA (DIN: 10769720)**, as Director of the Company.

To consider and if thought fit, to pass the following resolution as an **SPECIAL RESOLUTION**:

**“RESOLVED THAT** subject to provisions of Sections 149, 150, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and Regulations 16(1)(b), 17, 17A, 25 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI LODR”), Articles of Association of the Company and that of the Board of Directors of the Company, **MS. ASHLESHA SHACHINDRA RAYTHATTHA (DIN: 10769720)**, who was appointed as an Director/Additional Director (designated as Non-Executive & Independent Director) effective from **10.09.2024**, and who has submitted a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of a Director of the Company, be and is hereby appointed as a Independent Director of the Company to hold office for the first term of **five** consecutive years with effect from **27.12.2024 to 26.12.2029**, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions and to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

11. To consider and if thought fit, to pass the following resolution as an **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to the provisions of Section 94 and all other applicable provisions, if any of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to keep the Register of members along with the indices of members and/ or any other related documents required to be kept at the Registered office of the Company at the office of **M/s. Bigshare Services Private Limited**, No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 (hereinafter referred to as the Registrar & Share Transfer Agent) or any other office of the said Registrar & Share Transfer Agent.

**RESOLVED FURTHER THAT** any one of the Director or Mr. Vijaykumar H Modi, the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.

---

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013. [IT MAY ALSO BE REGARDED AS A DISCLOSURE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATIONS, 2015] SETS OUT ALL MATERIAL FACTS RELATING TO ITEMS NOS. 2 TO 11 CONTAINED IN THE ACCOMPANYING NOTICE DATED 19.11.2024.**

#### ITEM NO. 2

The Members at the **42<sup>ND</sup> Annual General Meeting (‘AGM’)** of the Company held on **30.09.2019** had approved appointment of M/s. Bagaria & Co. LLP, Chartered Accountants (Firm Registration No. 113447W/W-100019) as the Statutory Auditors of the Company to hold office from the conclusion of the **42<sup>ND</sup> AGM** till the conclusion of the **47<sup>TH</sup> AGM** of the Company to be held in the year **2024**.

As per second proviso to Section 139(2) of the Companies Act, 2013 (‘the Act’), to appoint a new auditor when the existing individual auditor has completed one term of five consecutive years M/s. Bagariya & Co. LLP., Chartered Accountants has completed consecutive five years as the Statutory auditor of the company since 2018-19 was in line with the provisions of Section 139(2) of the Companies Act, 2013 read with rule 5 of Companies (Audit and Auditor) Rules, 2014.

Hence, M/s. Bagariya & Co. LLP Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 47th Annual General Meeting.

Accordingly, as per the requirements of the Act and based on the recommendations of the Audit Committee, the Board of Directors of the Company has in its meeting held on 19.11.2024 proposed to appoint **M/s. JAIN JAGAVAT KAMDAR & Co.** Chartered Accountants, (Firm Registration No.: 122530W) Statutory Auditors of the company for a period of one year commencing from the conclusion of 47th AGM till the conclusion of the 48th AGM to be held in the year 2025.

**M/s. JAIN JAGAVAT KAMDAR & Co** Chartered Accountants, (Firm Registration No.: 122530W) has consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. Further requirement of ratification of Auditors by members at every annual general meeting has been omitted by the Companies (Amendment) Act, 2017 effective from May 7, 2018.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 2 of the notice.

The Board recommends the resolution set forth in item No. 2 of the notice for approval of the members

## ITEM NO. 3 & 4

**SHRI SHASHIKANT GANGADHAR BHOGE (DIN : 05345105)**, aged 48 years,

He possesses more than 15 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

He has expertise in management and the development of Constructions, infrastructure and other related business activities.

He was appointed as a Executive and Additional Director on the Board of the Company on **14.08.2024**. He holds the office of the Executive Director of the Company.

In the opinion of the Board, **SHRI SHASHIKANT GANGADHAR BHOGE** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Executive Director of the Company.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **SHRI SHASHIKANT GANGADHAR BHOGE** to hold the office of Non- Executive Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **SHRI SHASHIKANT GANGADHAR BHOGE** being eligible for appointment, is proposed to be appointed as Executive Director of the Company liable to retire by rotation.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as Executive and Independent Director.

Accordingly, the Board recommends passing of the **Ordinary Resolution** as set out in **Item No. 3 & 4** for the appointment of **SHRI SHASHIKANT GANGADHAR BHOGE** as a Executive Director, for approval of the shareholders of the Company. He is not related to any director or key managerial personnel inter-se.

Except **SHRI SHASHIKANT GANGADHAR BHOGE** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item no. 3 & 4**.

### Other Directorship:

Sr. No.	Name of the Company	Designation
1	Oscorp Construction Private Limited	Director
2	Oscorp Infra Solution Private Limited	Director
3	Oscorp Real Estate Development Private Limited	Director
4	Dependencia Hospitality Private Limited	Director
5	Oscorp Management Consultancy Private Limited	Director
6	Oscorp Hospitality Private Limited	Director
7	Proctech Solutions Private Limited	Director
8	Omega Weapons Private Limited	Director
9	J. K. Solutions Private Limited	Director
10	Dependencia Media Private Limited	Director

**SHRI SHASHIKANT GANGADHAR BHOGE** was appointed by the Board of Directors of the Company as an additional Director of the Company with effect from **14.08.2024** under section 161 of the Companies Act, 2013 read with provisions of the Articles of Association of the Company.

**SHRI SHASHIKANT GANGADHAR BHOGE** will hold office as an additional Director up to the date of the ensuing Annual General Meeting. A Notice in writing from a member has been received by the Company under section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of **SHRI SHASHIKANT GANGADHAR BHOGE** for appointment as a Director of the Company.

**SHRI SHASHIKANT GANGADHAR BHOGE** being eligible, offers himself for appointment as a Director. Further on the recommendation of the Nomination Remuneration Committee, the Board of Directors has appointed **SHRI SHASHIKANT GANGADHAR BHOGE** as Whole-time Director designated as Executive Director for a period of three(3) years with effect from **27.12.2024** to **26.12.2027** on the terms and conditions as set out in the agreement dated **19.11.2024** executed by the company with the said director.

**SHRI SHASHIKANT GANGADHAR BHOGE** as Whole-time Director designated as a Executive Director of the Company, as per the terms given below:

**Period:** Three (3) **27.12.2024** to **26.12.2027** with liberty to either party to terminate the appointment by three month's notice in writing to the other.

**Basic salary:** Presently no remuneration shall be paid to him till Company makes profit.



**Perquisites :** Perquisites such as house rent allowance, educational allowance, Performance allowance, medical allowance, leave travel allowance, special allowance, contribution to Provident Fund and contribution to Superannuation Fund as per the rules of the company and as may be determined by the Nomination & Remuneration Committee of the Company from time to time.

Gratuity payable as per rules of the Company.

Leave and encashment of leave as per Rules of the Company.

Use of car, telephone, Internet at residence for official purposes will not be considered as perquisites.

In addition to above perquisites, **SHRI SHASHIKANT GANGADHAR BHOGE** Whole-time Director as Executive Director shall also be entitled to any other allowances, incentives, benefits and perquisites as per Rules of the Company as are applicable to the Key Managerial Personnel and/or which may become applicable in the future and/or any other allowance, benefits and perquisites as the Board may from time to time decide.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Sections 196,197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any statutory modifications or re-enactment thereof for the time being in force.

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to **SHRI SHASHIKANT GANGADHAR BHOGE**, Whole-time Director designated as Executive Director subject to the applicable provisions of Schedule V to the said Act.

The Whole-time Director shall be subject to retire by rotation.

The Whole-time Director as long as he functions as such, shall not be paid any fee for attending the meeting of the Board of Directors or any Committee or Committees thereof. A copy of the Agreement dated 19.11.2024 entered into by the Company with **SHRI SHASHIKANT GANGADHAR BHOGE** according to the terms of his appointment for a period of three (3) years from **27.12.2024** to **26.12.2027** is available for inspection by the Members between 11.00 a. m. and 2.00 p. m. on any working day at the Registered Office of the Company. As required under Section 102 of the Companies Act, 2013, an abstract of the terms of appointment of **SHRI SHASHIKANT GANGADHAR BHOGE** and Memorandum of Interest will be posted to all members on **05.12.2024**.

Termination The Agreement may be terminated by either party giving the other party three months' notice.

**SHRI SHASHIKANT GANGADHAR BHOGE** undertakes, to the best of his skill and ability :

- a. to use his utmost endeavours to promote the interests and welfare of the Company.
- b. to conform to and comply with the directions and regulations of the Company and all such orders and directions as may from time to time be given by the Board.
- c. to devote the whole of his time and attention to the business of the Company. The Board recommends passing of the resolutions as set out in item Nos. 3 & 4 of the accompanying notice.

None of the Directors other than **SHRI SHASHIKANT GANGADHAR BHOGE** is deemed to be concerned or interested in these resolutions.

#### ITEM NO. 5 & 6

**SHRI BHUSHAN RAVINDRA SABLE (DIN: 03268957)**, aged 49 years,

He possesses more than 20 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

He has expertise in management and the development of Constructions, infrastructure and other related business activities.

He was appointed as an Executive and Additional Director on the Board of the Company on **14.08.2024**. He holds the office of Executive Director of the Company.

In the opinion of the Board, **SHRI BHUSHAN RAVINDRA SABLE** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Executive Director of the Company.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **SHRI BHUSHAN RAVINDRA SABLE** to hold the office of the Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **SHRI BHUSHAN RAVINDRA SABLE** being eligible for appointment, is proposed to be appointed as Executive Director of the Company liable to retire by rotation.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Executive Director.

## 47th Annual Report 2023-2024

Accordingly, the Board recommends passing of the **Ordinary Resolution** as set out in **Item No. 5 & 6** for the appointment of **SHRI BHUSHAN RAVINDRA SABLE** as a Executive Director, for approval of the shareholders of the Company. He is not related to any Director or key managerial personnel inter-se.

Except **SHRI BHUSHAN RAVINDRA SABLE** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item No. 5 & 6**.

### Other Directorship:

Sr. No.	Name of the Company	Designation
1	Dependencia Diagnostics Centre Private Limited	Director
2	Dependencia Hospitality Private Limited	Director
3	Windson Realities Private Limited	Director
4	Dependencia Estates Private Limited	Director
5	Dependencia Realities Private Limited	Director
6	Windson Infratech Private Limited	Director
7	Dependencia Buildcon Private Limited	Director
8	Dependencia Land Development Private Limited	Director
9	Dependencia Developers Private Limited	Director
10	Windson Constructions Private Limited	Director

**SHRI BHUSHAN RAVINDRA SABLE** was appointed by the Board of Directors of the Company as a Director of the Company with effect from **14.08.2024** under section 161 of the Companies Act, 2013 read with provisions of the Articles of Association of the Company.

**SHRI BHUSHAN RAVINDRA SABLE** will hold office as an additional Director up to the date of the ensuing Annual General Meeting. A Notice in writing from a member has been received by the Company under section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of **SHRI BHUSHAN RAVINDRA SABLE** for appointment as a Director of the Company.

**SHRI BHUSHAN RAVINDRA Sable** being eligible, offers himself for appointment as a Director. Further on the recommendation of the Nomination Remuneration Committee, the Board of Directors has appointed **SHRI BHUSHAN RAVINDRA SABLE** as Whole-time Director designated as Executive Director for a period of Three(3) years with effect from **27.12.2024** to **26.12.2027** on the terms and conditions as set out in the agreement dated **19.11.2024** executed by the company with the said director.

**SHRI BHUSHAN RAVINDRA SABLE** as Whole-time Director designated as a Executive Director of the Company terms as per the terms given below:

**Period:** Three (3) **27.12.2024** to **26.12.2027** with liberty to either party to terminate the appointment by three months notice in writing to the other.

**Basic salary:** Presently no remuneration shall be paid to him till Company makes profit.

**Perquisites :** Perquisites such as house rent allowance, educational allowance, Performance allowance, medical allowance, leave travel allowance, special allowance, contribution to Provident Fund and contribution to Superannuation Fund as per the rules of the company and as may be determined by the Nomination & Remuneration Committee of the Company from time to time.

Gratuity payable as per rules of the Company.

Leave and encashment of leave as per Rules of the Company.

Use of car, telephone, Internet at residence for official purposes will not be considered as perquisites.

In addition to above perquisites, **SHRI BHUSHAN RAVINDRA SABLE** Whole-time Director as Executive Director shall also be entitled to any other allowances, incentives, benefits and perquisites as per Rules of the Company as are applicable to the Key Managerial Personnel and/or which may become applicable in the future and/or any other allowance, benefits and perquisites as the Board may from time to time decide.

The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limits prescribed from time to time under Sections 196,197 and all other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act or any statutory modifications or re-enactment thereof for the time being in force.

Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to **SHRI BHUSHAN RAVINDRA SABLE**, Whole-time Director designated as Executive Director subject to the applicable provisions of Schedule V to the said Act.

The Whole-time Director shall be subject to liable to retire by rotation.

The Whole-time Director as long as he functions as such, shall not be paid any fee for attending the meeting of the Board of Directors or any Committee or Committees thereof. A copy of the Agreement dated 19.11.2024 entered into by the Company with **SHRI BHUSHAN RAVINDRA SABLE** according to the terms of his appointment for a period of three (3) years from **27.12.2024** to **26.12.2027** is available for inspection by the Members between 11.00 a. m. and 2.00 p. m. on any working day at the Registered Office of the Company. As required under Section 102 of the Companies Act, 2013, an abstract of the terms of appointment of **SHRI BHUSHAN RAVINDRA SABLE** and Memorandum of Interest will be posted to all members on **5.12.2024**.

Termination The Agreement may be terminated by either party giving the other party three months' notice.

**SHRI BHUSHAN RAVINDRA SABLE** undertakes, to the best of his skill and ability:

- a. to use his utmost endeavours to promote the interests and welfare of the Company.
- b. to conform to and comply with the directions and regulations of the Company and all such orders and directions as may from time to time be given by the Board.
- c. to devote the whole of his time and attention to the business of the Company. The Board recommends passing of the resolutions as set out in item Nos. 5 & 6 of the accompanying notice.

None of the Directors other than **SHRI BHUSHAN RAVINDRA SABLE** is deemed to be concerned or interested in these resolutions.

#### ITEM NO. 7.

**SHRI PRADEEP KISAN KHANDAGALE (DIN: 01124220)**, aged 46 years,

He possesses more than 17 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

**Qualification** : BE (Bachelor of Engineer)

#### **Experience** :

He is a Civil Engineer from the University of Mumbai. Hailing from a humble background and leading a distinguished and promising professional career, he chooses to actualize his aspirations.

He has been associated with UNIVASTU since Inception and has led several associated assignments during his extensive career before start of UNIVASTU.

He possesses over 17 years of professional experience.

He has considerable expertise in Infrastructure Project Construction and has been overseeing the Business Development in India, the Implementation and monitoring of Projects in various segments, Tendering and Contracts Management, Incorporation of New Technologies, Excellent Value Engineering skills, etc. His regular reviewing of major projects, facilitate the company to ensure timely and quality execution in particular. His technical, strategic, decision making and leadership skills coupled with his sound financial business sense has helped him in expanding the horizons of the company. His extensive Construction knowledge, passion and work ethics set the path towards Vision and Mission of the Company. He envisions expanding UNIVASTUpan INDIA and Globally with Credible and Innovative Work.

He was appointed as a Non- Executive & Additional Independent Director on the Board of the Company on **14.08.2024**. He holds the office of Non-Executive and Additional Director till the ensuing Annual General Meeting of the Company.

In the opinion of the Board, **SHRI PRADEEP KISAN KHANDAGALE** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Non-Executive Director of the Company.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **SHRI PRADEEP KISAN KHANDAGALE** to hold the office of Non-Executive Director.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **SHRI PRADEEP KISAN KHANDAGALE** being eligible for appointment, is proposed to be appointed as Non-Executive Director liable to retire by rotation.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Non- Executive Director.

Accordingly, the Board recommends passing of the **Ordinary Resolution** as set out in **Item No. 7** for the appointment of **SHRI PRADEEP KISAN KHANDAGALE** as a Non- Executive Director, for approval of the shareholders of the Company. He is not related to any director or key managerial personnel inter-se.

## 47th Annual Report 2023-2024

Except **SHRI PRADEEP KISAN KHANDAGALE** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item No 7**.

### Other Directorship:

Sr. No.	Name of the Company	Designation
1	Opal Luxury Time Products Limited	Director
2	India Property Port Limited	Director
3	Unique Vastu Nirman And Projects Private Limited	Director
4	Unicon Vastu India Private Limited	Director
5	Univastu HVAC India Private Limited	Director
6	Bio Mining India Private Limited	Director
7	Univastu Charitable Foundation	Director
8	Univastu India Limited	Director
9	Unigrano India Private Limited	Director
10	Leadline Constructions Private Limited	Director

### ITEM NO. 8

**SHRI. ASHISH MITTAL (DIN : 10331046)**, aged 40 years,

He possesses more than 15 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

**Qualification** : Chartered Accountant (CA) – Cleared June 2009

#### Experience :

He is a highly experienced finance professional with over 15 years in the industry. His current role is of General Manager - Finance and Accounts, wherein he has demonstrated exceptional expertise in financial management, strategic planning, and compliance.

Since qualifying as a Chartered Accountant in June 2009, he has excelled in financial reporting, budgeting, taxation, and audit management. With a strong foundation in finance and a proven track record of success, he is poised to bring his wealth of knowledge and experience to his new role, contributing to the strategic direction and financial health of the company.

He was appointed as a Non- Executive and Independent, Additional Independent Director on the Board of the Company on **14.08.2024**. He holds the office of Non- Executive and Independent, Additional Independent Director till the ensuing Annual General Meeting of the Company.

In the opinion of the Board, **MR. ASHISH MITTAL** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Non- Executive and Independent Director of the Company and is independent of the management. The Copy of the draft letter of his appointment as a Non- Executive and Independent Director setting out the terms and conditions would be available for inspection to the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **MR. ASHISH MITTAL** to hold the office of Non- Executive and Independent Director(s).

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **MR. ASHISH MITTAL** being eligible for appointment, is proposed to be appointed as Non- Executive and Independent Director of the Company to hold office till **26.12.2029**.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Non- Executive and Independent Director.

Accordingly, the Board recommends passing of the **Special Resolution** as set out in **Item No. 8** for the appointment of **MR. ASHISH MITTAL** as a Non- Executive and Independent Director, for approval of the shareholders of the Company. He is not related to any director or key managerial personnel inter-se.

Except **MR. ASHISH MITTAL** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item No. 8**.

**Other Directorship:**

Sr. No.	Name of the Company	Designation
1	Shiv Life Spaces Private Limited	Director
2	Shiv Infra Vision Infrastructure Private Limited	Director
3	Shiv Infra Vision Acres Private Limited	Director
4	Shiv Infra Vision Realty Private Limited	Director
5	Shiv Infra Vision Housing Private Limited	Director
6	Shiv Infra Vision Buildcon Private Limited	Director
7	Shiv Infra and Real Estate Developers Private Limited	Director
8	Eagle Jets Global Private Limited	Director
9	Eagle Jets Private Limited	Director
10	Shiv Infra Vision Properties Private Limited	Director
11	Shiv Infra Vision Infracon Private Limited	

**ITEM NO. 9****SHRI. VIPUL BANSAL (DIN : 00015967),**

He possesses more than 20 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

**Qualification :** B Tech IIT Delhi

**Experience :**

Senior real estate professional with rich experience in building and leading large real estate companies including Indiabulls Real Estate, DB realty and LT Realty.

Now engaged in setting up Mogra Realty, a real estate development platform backed by successful and qualified entrepreneurs.

He was appointed as a Non- Executive and Independent, Additional Independent Director on the Board of the Company on **10.09.2024**. He holds the office of Non- Executive and Independent, Additional Independent Director till the ensuing Annual General Meeting of the Company.

In the opinion of the Board, **MR. VIPUL BANSAL** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as a Non- Executive and Independent Director of the Company and is independent of the management. The Copy of the draft letter of his appointment as a Non- Executive and Independent Director setting out the terms and conditions would be available for inspection to the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **MR. VIPUL BANSAL** to hold the office of Non- Executive and Independent Director(s).

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **MR. VIPUL BANSAL** being eligible for appointment, is proposed to be appointed as Non- Executive and Independent Director of the Company to hold office till **26.12.2029**.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Non- Executive and Independent Director.

Accordingly, the Board recommends passing of the **Special Resolution** as set out in **Item No. 9** for the appointment of **MR. VIPUL BANSAL** as a Non- Executive and Independent Director, for approval of the shareholders of the Company. He is not related to any director or key managerial personnel inter-se.

Except **MR. VIPUL BANSAL** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item No. 9**.

**Other Directorship:**

Sr. No.	Name of the Company	Designation
1	MOGRA REAL ESTATE DEVELOPMENT PRIVATE LIMITED	Director
2	VANGANI LAND HOLDINGS PRIVATE LIMITED	Director
3	DPN FARMS PRIVATE LIMITED	Director
4	DPN BANSAL SONS PRIVATE LIMITED	Director
5	DPN BANSAL BROTHERS PRIVATE LIMITED	Director
6	DPN MEGACITY INFRAPROJECTS PRIVATE LIMITED	Director
7	DPN THE REAL ESTATE DEVELOPMENT SERVICES PRIVATE LIMITED	Director
8	DPN INDIA HOUSING ADVISORS PRIVATE LIMITED	Director
9	DPN GREEN WORLD EARTH MOVERS PRIVATE LIMITED	Director
10	GREEN WORLD BUILDCON (BHUI) INFRA PRIVATE LIMITED	Director
11	GREEN WORLD BUILDCON AND INFRA PRIVATE LIMITED	Director
12	D-JAY APP FACTORY PRIVATE LIMITED	Director
13	GREEN FARMHOUSE DEVELOPMENT COMPANY PRIVATE LIMITED	Director
14	GREEN WORLD BUILDCON (BHUI WEST) INFRA PRIVATE LIMITED	Director
15	GREEN FOREST FARMHOUSE DEVELOPMENT CO PRIVATE LIMITED	Director
16	BANSAL CITY VANGANI LLP	Designated Partner
17	DPN INDIA HOUSING ADVISORS LLP	Designated Partner

**ITEM NO. 10**

**MS. ASHLESHA SHACHINDRA RAYTHATTHA (DIN : 10769720)**, aged 28years, She possesses more than 5 years of experience as expertise in management and the development of construction, infrastructure and other related business activities.

**Qualification** : B.Com, Company Secretary (CS), LLB

**Experience :**

She is a legal professional with a strong academic background and extensive experience in real estate and intellectual property rights (IPR), as well as legal drafting and compliance. She has built a successful career as a practicing advocate since 2021.

With expertise in both real estate and IPR laws, she has consistently provided valuable legal insights and will contribute significantly to the company's governance and legal affairs.

She was appointed as a Non- Executive and Independent, Additional Independent Director on the Board of the Company on **10.09.2024**. She holds the office of Non- Executive and Independent, Additional Independent Director till the ensuing Annual General Meeting of the Company.

In the opinion of the Board, **MS. ASHLESHA SHACHINDRA RAYTHATTHA** fulfills the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as a Non- Executive and Independent Director of the Company and is independent of the management. The Copy of the draft letter of her appointment as a Non- Executive and Independent Director setting out the terms and conditions would be available for inspection to the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Company has also received notice(s) in writing pursuant to Section 160 of the Act, from the member(s) of the Company proposing the candidature of **MS. ASHLESHA SHACHINDRA RAYTHATTHA** to hold the office of Non- Executive and Independent Director(s).

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **MS. ASHLESHA SHACHINDRA RAYTHATTHA** being eligible for appointment, is proposed to be appointed as Non- Executive and Independent Director of the Company to hold office till **26.12.2029**.

The Board considers her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as a Non- Executive and Independent Director.

Accordingly, the Board recommends passing of the **Special Resolution** as set out in **Item No. 10** for the appointment of **MS. ASHLESHA SHACHINDRA RAYTHATTHA** as a Non- Executive and Independent Director, for approval of the shareholders of the Company. She is not related to any director or key managerial personnel inter-se.

Except **MS. ASHLESHA SHACHINDRA RAYTHATTHA** being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution(s) set out at **Item no. 10**.

**Other Directorship: NIL**

**ITEM NO. 11**

Recommends passing of the **Special Resolution** as set out in **Item No. 11** for approval such other date based on all records related Share matters transfer by M/s. Link Intime India Pvt. Ltd. to enable M/s. Bigshare Services Private Limited to transfer as R & T agent.

The Board has appointed M/s. Bigshare Services Private Limited (“Bigshare”) as its new Registrar and Share Transfer Agent (RTA) in place of existing RTA, M/s. Link Intime India Private Limited with effect from 01.10.2024. Pursuant to the provisions of Section 94 of the Companies Act, 2013 (the Act), all registers required to be maintained under Section 88 of the Companies Act, 2013 and annual return filed under Section 92 of the Act shall be kept at the Registered Office of the Company. However, such registers or copies of return may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a **SPECIAL RESOLUTION** passed at a general meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance.

Accordingly, it has been decided that the statutory records of the Company viz. Register of Members and Indices of members currently maintained at the office of M/s. Link Intime India Private Limited be kept at the office of M/s. Bigshare Services Private Limited, No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 with effect from 01.10.2024.

M/s. Link Intime India Private Limited will, however, continue to support the M/s. Bigshare Services Private Limited activities of the Company till such time the transition of database and electronic connectivity from M/s. Link Intime India Private Limited to M/s. Bigshare Services Private Limited is completed.

The Board of Directors recommend the resolution at Item No. 11 of the accompanying notice as a **Special Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are concerned with or interested in the above resolution.

**Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :**

Sr. No.	Disclosure requirements	Details
<b>Mr. Pradeep Kisan Khandagale - (DIN: 01124220)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment as Director in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment/re-appointment/Cessation (as applicable) & term of appointment/re-appointment	14-08-2024
3.	Brief profile (incase of appointment) ;	<p><b>Qualification :</b> BE ( Bachelor of Engineer)</p> <p><b>Experience :</b> He is a Civil Engineer from the University of Mumbai. Hailing from a humble background and leading a distinguished and promising professional career, he chooses to actualize his aspirations. He has been associated with UNIVASTU since Inception and has led several associated assignments during his extensive career before start of UNIVASTU.</p> <p>He possesses over 17 years of professional experience.</p> <p>He has considerable expertise in Infrastructure Project Construction and has been overseeing the Business Development in India, the Implementation and monitoring of Projects in various segments, Tendering and Contracts Management, Incorporation of New Technologies, Excellent Value Engineering skills, etc. His regular reviewing of major projects, facilitate the company to ensure timely and quality execution in particular. His technical, strategic, decision making and leadership skills coupled with his sound financial business sense has helped him in expanding the horizons of the company. His extensive Construction knowledge, passion and work ethics set the path towards Vision and Mission of the Company. He envisions expanding UNIVASTUpan INDIA and Globally with Credible and Innovative Work.</p>
4.	Disclosure of relationships between directors (in case of appointment of a director).	Not related to any Director of the Company
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Mr. Pradeep Kisan Khandagale is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.

## 47th Annual Report 2023-2024

### Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :

Sr. No.	Disclosure requirements	Details
<b>Mr. Bhushan Ravindra Sable - (DIN: 03268957)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment / re-appointment/Cessation(as applicable) & term of appointment/ re-appointment	14-08-2024
3.	Brief profile (incase of appointment) ;	He has expertise in management and the development of Constructions, infrastructure and other related business activities
4.	Disclosure of relationships between directors (in case of appointment of a director).	As director from J.K. Solutions Pvt. Ltd. Resolution Applicant
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Mr. Bhushan Ravindra Sable is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.

### Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :

Sr. No.	Disclosure requirements	Details
<b>Mr. Shashikant Gangadhar Bhoge - (DIN: 05345105)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment / re-appointment/Cessation (as applicable) & term of appointment / re-appointment	14-08-2024
3.	Brief profile (incase of appointment) ;	He has expertise in management and the development of Constructions, infrastructure and other related business activities
4.	Disclosure of relationships between directors (in case of appointment of a director).	As director from J.K. Solutions Pvt. Ltd. Resolution Applicant
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Mr. Shashikant Gangadhar Bhoge is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.

### Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :

Sr. No.	Disclosure requirements	Details
<b>Mr. Ashish Mittal - (DIN : 10331046)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment / re-appointment/Cessation (as applicable) & term of appointment / re-appointment	14-08-2024
3.	Brief profile (incase of appointment) ;	<p><b>Qualification :</b> Chartered Accountant (CA) – Cleared June 2009</p> <p><b>Experience :</b> He is a highly experienced finance professional with over 15 years in the industry. His current role is of General Manager - Finance and Accounts, wherein he has demonstrated exceptional expertise in financial management, strategic planning, and compliance.</p> <p>Since qualifying as a Chartered Accountant in June 2009, he has excelled in financial reporting, budgeting, taxation, and audit management. With a strong foundation in finance and a proven track record of success, he is poised to bring his wealth of knowledge and experience to his new role, contributing to the strategic direction and financial health of the company.</p>
4.	Disclosure of relationships between directors (in case of appointment of a director).	Not related to any Director of the Company
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Mr. Ashish Mittal is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.



**Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :**

Sr. No.	Disclosure requirements	Details
<b>Mr. Vipul Bansal – (DIN :00015967)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment / re-appointment/Cessation (as applicable) & term of appointment / re-appointment	10-09-2024
3.	Brief profile (incase of appointment) ;	<b>Qualification :</b> BTech IIT Delhi <b>Experience :</b> Senior real estate professional with rich experience in building and leading large real estate companies including Indiabulls Real Estate, DB realty and LT Realty. Now engaged in setting up Mogra Realty, a real estate development platform backed by successful and qualified entrepreneurs.
4.	Disclosure of relationships between directors (in case of appointment of a director).	Not related to any Director of the Company
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Mr. Vipul Bansal is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.

**Details under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 :**

Sr. No.	Disclosure requirements	Details
<b>Ms. Ashlesha Raythatha – (DIN : 10769720)</b>		
1.	Reason for change viz. appointment, reappointment, resignation, removal, death or otherwise	Appointment in terms of National Company Law Tribunal Order dated 25-06-2024
2.	Date of Appointment / re-appointment/Cessation (as applicable) & term of appointment / re-appointment	10-09-2024
3.	Brief profile (incase of appointment) ;	<b>Qualification :</b> B.Com, Company Secretary (CS), LLB <b>Experience :</b> She is a legal professional with a strong academic background and extensive experience in real estate and intellectual property rights (IPR), as well as legal drafting and compliance. She has built a successful career as a practicing advocate since 2021. With expertise in both real estate and IPR laws, She has consistently provided valuable legal insights and will contribute significantly to the company's governance and legal affairs.
4.	Disclosure of relationships between directors (in case of appointment of a director).	Not related to any Director of the Company
5.	Information as required pursuant to BSE circular with ref. No. LIST/COPM/14/2018-19 and the National Stock Exchange of India Ltd. with ref. No. NSE/CML/2018/24 dated June 20, 2018	Ms. Ashlesha Raythatha is not debarred from holding the office of Director by virtue of any SEBI order or any other authority.

**For and on behalf of the Board**

**For VALECHA ENGINEERING LIMITED**

**Vijaykumar Modi**  
**Company Secretary & Legal**

**Place : Mumbai**

**Date : 19.11.2024**

## 47th Annual Report 2023-2024

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of the Special Business under Item No. 2 and 12 of the Notice, is annexed hereto.
2. The attendance slip, Proxy Form & ballot paper are attached herewith.
3. The Register of Members and Share Transfer Books of the Company will remain closed from the **20.12.2024 to 27.12.2024** (both days inclusive).\*
4. In terms of the provisions of Section 112 and 113 of the Act read with the aforesaid MCA Circulars, Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and participate there at, including cast votes by electronic means (details of which are provided separately in this notice). Such Corporate Members are requested to refer 'General Guidelines for Shareholders' provided in the notice, for more information. Such members are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to [ragini.c@rediffmail.com](mailto:ragini.c@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [investor.relations@valecha.in](mailto:investor.relations@valecha.in).
5. The attendance of the Members at the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The members, seeking any information with regard to the accounts or any matter to be placed at the AGM or having any questions in connection with the matter placed at AGM, are requested to send email to the Company before **16.12.2024** on [47agm@valecha.in](mailto:47agm@valecha.in). The same will be replied suitably.
7. Pursuant to the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings, brief profile and other details of Ms. Swati Jain, Non- Executive and Independent Director of the Company is provided in the Explanatory Statement annexed to this Notice and a brief profile and other details of all the Directors are provided in the "Annexure I" to this Notice.
8. As per Regulation 40 of the Listing Regulations and circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 and other applicable SEBI Circulars, the transfer of equity shares of listed Company can be done only in demat form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agent i.e. **BIGSHARE SERVICES PVT. LTD.** ("RTA") in this regard.
9. Those Shareholders whose email IDs are not registered can get their Email ID registered by following procedure as mentioned in this notice. Further, for registration / updation of Bank details shareholders can refer this notice.
10. Pursuant to the provisions of Section 72 of the Companies Act, 2013, members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit Form SH -13 to the Registrar and Transfer Agent of the Company. Members holding shares in demat form may contact their respective Depository Participant ("DP") for recording of nomination.
11. In case of joint holders attending the Meeting. Only such joint holder who is higher in the order of names will be entitled to vote.
12. Members holding shares in electronic/physical form are requested to notify any changes apart from the changes in email id and bank details can be intimated to **BIGSHARE SERVICES PVT. LTD.** [info@bigshareonline.com](mailto:info@bigshareonline.com).
13. Members, whether holding shares in electronic/physical mode, are requested to quote their DP ID & Client ID or Folio No. for all correspondence with the Company/ RTA.
14. NRI Members are requested to:
  - a) change their residential status on return to India permanently.
  - b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.
15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form at earliest.
16. Members holding shares under different Folio Nos. in the same names are requested to apply for consolidation of folios and send relevant original share certificates to the Company's RTA for doing the needful.
17. In compliance with the MCA Circulars and SEBI Circular dated **MAY 13, 2022**, Notice of the **47<sup>th</sup> AGM** along with the Annual Report **2023-24** is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of **47<sup>th</sup> AGM** and Annual Report for **FY 2023-24** will also be available on the Company's website [www.valecha.in](http://www.valecha.in) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

respectively, and on the website of NSDL <https://www.evoting.nsdl.com>

Members of the Company holding shares either in physical form or in Dematerialized form as on **Benpos date i.e. Friday 29.11.2024** will be sent Annual Report for the financial year **2023-24** and Notice of **47<sup>th</sup> Annual General Meeting** through electronic mode.

18. Members who wish to inspect statutory registers required to be made available/kept open for inspection at AGM and Relevant documents referred to in this Notice of AGM can send an email to [47agm@valecha.in](mailto:47agm@valecha.in) or [investor.relations@valecha.in](mailto:investor.relations@valecha.in). Copies of any documents referred to in the Notice and Explanatory Statement are also available for inspection at the Registered Office of the Company on all days except Saturdays, Sundays or Public holidays between 2.00 p.m. to 4.00 p.m. upto the date of the AGM.
19. The venue for the AGM will be the Registered Office of the Company.

#### INSTRUCTIONS FOR REMOTE E-VOTING:

Pursuant the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2015 as amended from time to time, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing 'remote e-voting' facility through National Securities Depository Limited (NSDL) to all Members of the Company to enable them to cast their votes electronically, on all resolutions mentioned in the notice of the **47<sup>th</sup> Annual General Meeting** ("AGM") of the Company.

#### GENERAL INSTRUCTIONS:

- a) The remote e-voting period begins on **Tuesday 24<sup>th</sup> December, 2024** at 9.00 A.M. (IST) and ends on **Thursday the 26<sup>th</sup> December, 2024** at 5:00 P.M. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Thursday, 19.12.2024** may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. (IST) on Thursday, 19<sup>th</sup> December, 2024.
- b) M/s. Ragini Chokshi & Co., Practicing Company Secretaries (Membership No.: FCS 2390; CP No: 1436), has been re-appointed as a Scrutiniser to scrutinise the remote e-voting process and e-voting at AGM in a fair and transparent manner.
- c) In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed **Thursday, 19.12.2024** as the "**cut-off date**" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the **cut-off date**, i.e. **Thursday, 19.12.2024**, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those members, who will be present at the AGM through VC/ OAVM facility and who could not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
- d) The members who have cast their vote by remote e-voting may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again.
- e) Any person who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the **cut-off date i.e. Thursday, 19.12.2024**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or the Company or RTA. However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. If he / she has forgot his / her password, he / she can reset his / her password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholder holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the **cut-off date i.e. Thursday, 19.12.2024** may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- f) The voting rights of Members shall be in proportion to their shares in the paid-up equity shares capital of the Company as on the **cut-off date i.e. Thursday, 19.12.2024**.
- g) The Scrutinizer shall submit her consolidated report to the Chairman within 48 hours from the conclusion of the AGM.
- h) The result declared along with the Scrutinizer's Report shall be placed on the website of the Company at [www.valecha.in](http://www.valecha.in) and on the website of NSDL at <https://www.evoting.nsdl.com> and shall simultaneously be communicated to the BSE Limited and National Stock Exchange of India Limited (NSE) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. **Thursday, 19.12.2024**.

## DIRECTORS' REPORT

To

The Members,

In exercise of the powers of the Board of Directors by the Resolution Professional of **Valecha Engineering Limited** (the Company) as per Section 17(1)(b) of Insolvency and Bankruptcy Code, 2016, hereby present the **47<sup>th</sup>** Annual Report on business and operations of the Company along with the Audited Statement of Accounts for the financial year ended **March 31, 2024**.

### FINANCIAL RESULTS:

Financial Highlights (Standalone)	Rs. in Crores	
	2023-24	2022-23
Revenue from Operations	57.01	90.07
Other Income	1.61	3.61
<b>Total Revenue</b>	<b>58.62</b>	<b>93.68</b>
Profit/(Loss) before Interest, Depreciation, Exceptional Items and Tax	(0.81)	(16.92)
<b>Less: Finance Cost</b>	<b>0.19</b>	<b>0.19</b>
Profit before Depreciation, Exceptional Items and Tax	(1.00)	(17.11)
<b>Less: Depreciation and Amortization Expenses</b>	<b>0.50</b>	<b>0.54</b>
<b>Profit /(Loss) before Exceptional Item and Tax</b>	<b>(1.50)</b>	<b>(17.65)</b>
<b>Exceptional Item</b>	<b>-</b>	<b>-</b>
<b>Profit/ (Loss) before Tax</b>	<b>(1.50)</b>	<b>(17.65)</b>
Provision for Tax (Including earlier Year Taxation)	-	-
<b>Profit /(Loss) after Tax</b>	<b>(1.50)</b>	<b>(17.65)</b>
Other comprehensive income/(loss) for the year	0.06	(0.01)
<b>Total comprehensive income for the year</b>	<b>(1.44)</b>	<b>(17.66)</b>
<b>Retained Earnings- Opening Balance</b>	<b>(154.64)</b>	<b>(136.99)</b>
Add: Profit/ (Loss) for the Year	(1.50)	(17.65)
<b>Retained Earnings- Closing Balance</b>	<b>(156.14)</b>	<b>(154.64)</b>

**REVIEW OF OPERATIONS** During the period under review, based on Standalone financial statements, the Company earned Total.

Revenue for the year ended **31.03.2024** of Rs.58.62 Crore. As the company earned Rs.93.68 Crore income in the previous year ended **31.03.2023** Loss after tax for the year ended **31.03.2024** stood at Rs.1.50 Crore as compared to loss after tax of Rs.17.65 Crore for the year **31.03.2023**.

1. **Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

- A. Hon'ble National Company Law Tribunal, Mumbai bench ("Hon'ble NCLT"), passed Order dated **21/10/2022** in Company Petition no. CP (IB) No.594/MB-IV/2021 filed by **STATE BANK OF INDIA**, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against the Company, Corporate Debtor/Respondent, for initiating Corporate Insolvency Resolution Process ("CIRP") and appointed **Mr. Anurag Kumar Sinha, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IP-P00427/2017-18/10750]** as Interim Resolution Professional, to carry out the functions as mentioned under I&B Code.
- B. The appointment of Mr. Anurag Kumar Sinha was confirmed/approved as the Resolution Professional ("RP") of the Company by the Committee of Creditors w.e.f. **30.11.2022**. As per Section 17(1) (a) of the I&B Code, from the date of appointment of the IRP, the management of affairs of the Corporate Debtor was vested in the IRP/ RP and as per Section 17(1) (b), the powers of the board of directors stood suspended and was exercised by the IRP/ RP.
- C. The NCLT vide its order dated **25.06.2024** has approved the Resolution Plan submitted by the M/s. J K Solutions Private Limited in consortium with One Media Facility Management under Section 31 of the IBC, which has been implemented in phase wise manner. The powers of the Board of Directors of the Company and its Committees remained suspended from the initiation of CIRP till Board of the Company has been re-constituted i.e. **14.08.2024**.

- D. Pursuant to implementation of Resolution Plan, erstwhile Board of Directors of the Company were replaced with the new Board of Directors with effect from **14.08.2024**

SR NO.	NAME	DESIGNATION	WITH EFFECT FROM
1	Mr. Shashikant Gangadhar Bhoge	Executive Director	14.08.2024
2	Mr. Bhushan Ravindra Sable	Executive Director	14.08.2024
3	Mr. Pradeep Khandagale	Non-Executive Director	14.08.2024
4	Mr. Ashish Mittal	Non-Executive & Independent Director	14.08.2024
5	Mr. Vipul Bansal	Non-Executive & Independent Director	10.09.2024
6	Ms. Ashlesha Shachindra Raythattha	Non-Executive & Independent Director	10.09.2024

2. **Share Capital:** The paid up Equity Share Capital as on **31st March, 2024** was Rs. 22.53 Crores.
3. **Dividend:** The Company being under CIRP and in view of the losses incurred during the year under review, the RP does not recommend any dividend for the year ended **31st March, 2024**.
4. **Reserves:** No amount is being transferred to reserves.
5. **Operations/ State of affairs during the year:**  
**Standalone:** The Company has achieved a turnover of Rs.57.01 crores for the year ended **31st March, 2024** against Rs.90.07 crores in the previous year. The Company has incurred loss after tax of Rs.1.50 crores against the loss after Tax of Rs.17.65 crores in the previous year.  
 The company has achieved a consolidated turnover of Rs.70.56 crores for the year ended **31st March, 2024** against Rs.113.69 crores in the previous year. The company has incurred a consolidated loss after tax of Rs.197.70 crores against the Loss after tax of Rs.484.97 crores in the previous year.
6. **Fixed Deposits:** As on **31st March, 2024**, Fixed Deposits accepted by the Company stood at Rs.22.94 Crores as against Rs.22.94 Crores in the previous year.  
 Details relating to deposits covered under The Companies (Acceptance of Deposits) Rule, 2014 for the Financial Year **2023-24** No deposits were re-paid during the year to Fixed Deposit holders.
7. **Material changes and commitments:** There have been no material changes and commitments, affecting the financial position of the company between the end of the financial year of the company to which the financial statements relate and the date of the report.
8. **Changes in the nature of business** There has been no change in the nature of business.
9. **UPDATE:**
  1. The Subsidiary Company Valecha L M Toll Private Limited (VEL Stake – 74%).  
 NCLT, Mumbai has passed Order that the Corporate Debtor i.e. Valecha L M Toll Private Limited has to be liquidated in terms of the provisions of Section 33 of IBC, 2016 and has appointed Mr. Udayraj Patwardhan, Resolution Professional having IBBI Registration No. IBBI/IPA-001/IP-PP00024/2016-2017/10057, as Liquidator of the Corporate Debtor.
  2. The Subsidiary Company Valecha Kachchh Toll Roads Limited (VKTRL) (VEL) Stake – 58%).  
 Hon'ble, NCLT, Mumbai passed Order dated 09.10.2023 in Company Petition No. CP (IB) 360(MB)/2023 filed by Canara Bank, the Financial Creditor \* Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against Valecha Kachchh Toll Roads Limited (VKTRL), Corporate Debtor, for initiating Corporate Insolvency Resolution Process (CIRP).  
 Mr. Avil Jerome Menezes, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IPP00017/2016-17/10041] has been appointed as Interim Resolution Professional (IRP)(later on confirmed as RP by Committee of Creditors (CoC)), to carry out the functions as mentioned under Insolvency & Bankruptcy Code, 2016 for running the CIRP of the Company. Further Resolution plan for revival of the company has been submitted by Resolution Applicant in reply to the invitation for expression of interest dated 05.12.2023 filed by the RP, the resolution plan submitted is under review and yet to be approved by the CoC as on the date of the audit report (VKTRL).
10. **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134 of the Companies Act, 2013, and Rules thereunder:**
  - A. **Conservation of Energy:** At all the sites of the Company the consumption of power is regularly monitored and necessary measures are taken to regulate the consumption.
  - B. **Technology absorption:** During the year under review, there is no expenditure on Technology Absorption and on Research and Development.
  - C. **Foreign Exchange Earnings & Outgo:**

(Rs. in lakhs)

	2023 - 24	2022 - 23
Foreign Exchange Outgo	NIL	NIL
Foreign Exchange Earned	NIL	NIL

**11. Details of Subsidiary/Joint Ventures/Associate Companies:**

As on **31<sup>st</sup> March, 2024**, the Company has the following 7 subsidiaries namely:-

1. Valecha Infrastructure Limited
2. Professional Realtors Private Limited
3. Valecha LM Toll Private Limited (under liquidation)
4. Valecha Badwani Sendhwa Tollways Limited
5. Valecha Kachchh Toll Roads Limited (under CIRP Process)
6. Valecha International FZE
7. Valecha Reality Limited

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of Financial Statements of subsidiaries in **Form AOC-1** forms part of the Financial Statement and hence not repeated here for the sake of brevity.

- 12. Consolidated Financial Statements:** The audited Consolidated Financial Statements of the Company also form part of the Annual Report. Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Company has placed separate audited accounts of its subsidiaries as on **31.03.2024** on its website [www.valecha.in](http://www.valecha.in). The Company will make available the audited annual accounts and associated information of its subsidiaries, upon request by any of its shareholders.

- 13. Particulars of Loans, Guarantees or Investments under Section 186:** Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements Note no. 36 A i and ii.

**14. Auditors' and their Report:**

**Statutory Auditor M/s. Bagaria & Co. LLP** conducted the Statutory Audit for the year **2023-24**. The Independent Auditors Report to the members of the Company in respect of the Standalone and Consolidated Financial Statements for the year ended **31<sup>st</sup> March, 2024** form part of this Annual Report.

**STATUTORY AUDITORS: M/s. Bagaria & Co. LLP** Chartered Accountants, who were appointed as the Statutory Auditors of the Company for a term of five years, from the conclusion of the 42<sup>nd</sup> Annual General Meeting till the conclusion of the 47<sup>th</sup> Annual General Meeting. Hence, M/s. Bagariya & Co. LLP Chartered Accountants retires as the Statutory Auditors of the company at the conclusion of the 47<sup>th</sup> Annual General Meeting.

**M/s. Jain Jagawat Kamdar & Co.** Chartered Accountants, Mumbai (Firm Registration No.: 122530W) has consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

**Statutory Auditors' Remarks:** Relevant Notes to Standalone Financial Statement provide clarification to the Auditors' opinion in related points of the Audit report (Standalone) Relevant Notes to Consolidated Financial Statement provide clarification to the Auditors' opinion in related point of the Audit report (Consolidated).

**Secretarial Auditors:** Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, **M/s Ragini Chokshi & Co, Practicing Company Secretary (Membership No.2390)**, firm of Company Secretaries in practice, has been re-appointed to undertake the Secretarial Audit for the financial year ended **31<sup>st</sup> March, 2024**. Their Report is annexed as **Annexure-A** to this report.

- 15. Adequacy of Internal Financial Control:** The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information to Directors.

**16. Cessation of Directors:**

The tenure of Directorship of Non-Executive and Independent Directors of the Company namely, Ms. Chetna Verma (DIN : 08981045), Ms. Bharti Ranga (DIN : 06864738) and Mr. Achal Kapoor (DIN : 09150394) ceased at the **46<sup>th</sup> Annual General Meeting** held on **28.09.2023**. Ms. Lalna Takekar, Mr. S. N. Kavi & Ms. Swati Jain ceased as Director(s) in terms of NCLT Order dated **25.06.2024**.

**Declaration by Independent Directors:** Mr. Ashish Mittal, Mr. Vipul Bansal & Ms. Ashlesha Shachindra Raythatha Non- Executive & Independent Directors on the Board of the Company, confirm that they meet the criteria of Independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and has given declaration that they meet the criteria of independence as provided in section 149 (6) of the Act, and Regulation 16 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Non-Executive and Independent Directors of the company had no pecuniary relationship or transactions with the company. In the opinion of the Board, they fulfill the conditions of independence as specified and is independent of the management.

17. **Board Evaluation** Since the powers of the Board of Directors has been suspended with effect from **21.10.2022** pursuant to Hon'ble NCLT Order dated **21.10.2022**, the question of evaluation of Board does not arise.

18. **Meetings of the Board of Directors:** The details of the number of meetings of the Board held during the financial year **2023-24** forms part of the Corporate Governance Report.

19. **Committees of the Board of Directors:**

The Board of Directors have the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance section of this Report.

20. **Policies of the Board of Directors**

I. **Corporate Social Responsibility** During the year under review, in view of the loss incurred, Section 135 (1) of the Companies Act, 2013 is not applicable.

II. **Vigil Mechanism/Whistle Blower** In compliance with the provisions of section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy with a view to maintain high standards of transparency in Corporate Governance, deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. No communication from any employee of the company under the Whistle Blower Policy was received during the year.

III. **Remuneration Policy for Directors, Key Managerial Personnel and other employees**

A. **Executive Directors**

- i. Having not appointed any Managing Director and Whole Time Directors during the year under review, the question of payment of Remuneration does not arise.
- ii. The Remuneration to the Key Managerial Personnel and other employees will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

iii. **Non-Executive Directors**

The total sitting fees paid to Non-Executive & Independent Directors from **01.04.2023 to 31.03.2024** is as below.

Sr. No.	Name of Directors	Total Sitting Fees
1	Mrs. Lalna Takekar	NIL
2	Mr. S.N. Kavi upto 19.07.2023	
3	Ms. Chetna Verma upto 30.09.2023	
4	Ms. Bharti Ranga upto to 30.09.2023	
5	Mr. Achal Kapoor upto 30.09.2023	
6	Ms. Swati Jain upto 14.12.2023	

iv. Policy on Related Party Transaction Pursuant to section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, **2014**, the Company has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

In light of the above, VEL has framed a policy on related party transaction. This policy has been adopted by the Board of Directors of the Company based on recommendations of Audit Committee. The policy on Related Party Transactions, as approved by the Board, is available for viewing on the Company's website.

**Particulars of Contracts or Arrangements with Related Parties:** The Contracts or Arrangements entered into by the Company with Related Parties have been done at arms' length and are in the ordinary course of business. Form AOC-2 as required under Section 134 (3) (h) is as under.

### Form No. AOC - 2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Company (Accounts) Rules, 2014] 2023-24.

#### **Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the companies Act, 2013 including certain arms-length transactions under third proviso thereto.**

1. Details of contracts or arrangements or transactions not at arm's length basis.  
All contracts arrangements /transactions with related parties were on arms' length basis and were in the ordinary course of business.
2. Details of material contracts or arrangement or transactions at arm's length basis.  
There was no material related party contract or arrangement or transaction during the year.
21. **Compliance with Secretarial Standards:** The Company has complied with applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Government of India under Section 118(10) of the Companies Act, 2013.
22. **Particulars of Employees:** There are no employees drawing salary pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
23. **Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 [14 of 2013]:** As required by Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace. The Company has also constituted an Internal Complaints Committee with a mechanism of lodging complaints. During the year under review, there were no cases filed pursuant to the aforesaid Act.
24. Extract of the Annual Return: Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2024 is available on Company's website at [www.valecha.in](http://www.valecha.in). The same can be accessed by clicking on the web link: <https://valecha.in/Investor-Room/Other-Disclosure>.
25. **Corporate Governance and Management Discussion & Analysis Report:** The Company has complied with the Corporate Governance Code as stipulated under 27(2)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. A separate section on Corporate Governance along with certificate from Secretarial Auditors confirming the compliance is annexed and forms part of the Annual Report. The Management Discussion and Analysis Report and Corporate Governance Report, appearing elsewhere in this Annual Report forms part of the Board's Report.
26. **Risk Management Policy:** Details on Risk Management Policy have been mentioned in the Corporate Governance Report annexed to this report.
27. **Reporting of Frauds:** During the year under review, there have been no instances of fraud reported by the Auditors including the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder either to the Company or to the Central Government.
28. **Director's Responsibility Statement:** As required by Section 134(3)(c) of the Companies Act, 2013, it is stated that:
  - (a) In the preparation of the annual accounts for the year ended **31<sup>st</sup> March, 2024**, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
  - (b) The accounting policies adopted in the preparation of the annual accounts have been applied consistently. Reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year **2023-24** and of the profit loss for the year ended **31<sup>st</sup> March, 2024**.
  - (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
  - (d) The annual accounts for the year ended **31<sup>st</sup> March, 2024** have been prepared on a going concern basis.
  - (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
  - (f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.
29. **Acknowledgements:** The Board of Directors wishes to place on record their appreciation to all employees of the Company for their continued contribution to the performance of the Company and to all the Shareholders, Customers and various Authorities for their continued support during the year. The Board also wishes to give sincere thanks and gratitude to Bankers/NBFCs who are continuously supporting the Company and its group at all the times for achieving its goal.

For and on behalf of the Board of Director  
For **VALECHA ENGINEERING LIMITED**

**SHASHIKANT G. BHOGE**  
**CHAIRMAN**  
**DIN: 05345105**

Place: Mumbai  
Date: **19.11.2024**



**FORM NO MR-3****SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**FOR THE PERIOD 01-04-2023 TO 31-03-2024**

To,

The Members,

**VALECHA ENGINEERING LIMITED**

Valecha Chambers" 4th Floor, Plot No.B-6,

Andheri New Link Road, Andheri (West)

Mumbai-400053

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VALECHA ENGINEERING LIMITED (CIN: L74210MH1977PLC019535)** (hereinafter called the company) for the year ended on **March 31, 2024**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Event accord after 31<sup>st</sup> March 2024 but before proposed Annual General Meeting:**

**The Resolution Plan submitted by J K Solutions Private Limited in consortium with One Media Facility Management has been approved by Committee of Creditors in its meeting held on 25<sup>th</sup> November 2023 and was thereafter submitted to the Honourable National Company Law Tribunal Mumbai Bench (NCLT) for its approval.**

**The Honourable National Company Law Tribunal Mumbai Bench (NCLT) vide its order dated 25<sup>th</sup> June 2024 approved the said Resolution Plan.**

**The company has uploaded INC-28 along with the certified copy of aforesaid NCLT order on 30<sup>th</sup> July 2024 and the same has been approved by the Ministry of Corporate Affairs vide their Email dated 1<sup>st</sup> August 2024.**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period **April 01, 2023 to March 31, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable during the period under review)**
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; **(Not applicable during the period under review)**
  - f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable during the period under review)**

## 47th Annual Report 2023-2024

- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable during the period under review)**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable during the period under review)**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable during the period under review)**
- j) Securities and Exchange Board of India (Depositories & Participants) Regulation, 2018 **(To the extend applicable)**

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

- *The position of the company remains status quo from 05.03.2021 (Bombay High Court Order) to 21.10.2022 (NCLT Order)*
- *Honorable, NCLT, Mumbai, vide their order dated 21/10/2022 in Company Petition no. CP (IB) No.594/MB-IV/2021 filed by STATE BANK OF INDIA, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against the Company, Corporate Debtor/ Respondent, for initiating Corporate Insolvency Resolution Process (CIRP).*

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards i.e., SS-1 and SS-2 issued by The Institute of Company Secretaries of India. *(There are lapses in complying with Secretarial Standards but company can cover it.)*
- (ii) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirement) Regulation 2015 and the Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except mentioned below:

- The company has experienced delays in filing the intimations as per the provisions outlined in regulations 13(4), 23(9), 31(1), 33(3), 47(1), 30(8) along with Schedule III Part A under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as well as Regulation 76(1) of SEBI (Depositories and Participants) Regulations, 2018\*

*\*NCLT vide Order dated 21.10.2022, has appointed Resolution Professional. Thus, the entire Board of Director stands suspended.*

### **We further report that**

Consequent upon Non-payment of Fixed Deposits and Interest due thereon, pursuant to Section 164(2)(b) of the Companies Act, 2013 read with Schedule V, the Company is restrained to appoint Managing Director/ Whole Time Director/Manager for the financial year 2021-22 ,2022-23 and 2023-24.

As per the minutes, the decisions at the Board meeting were taken unanimously/with majority.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the company had no specific events or actions which might have a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except:

1. Cessation of Chetna Verma, Achal Kapoor and Bharti Ranga as Independent Director of the Company w.e.f 28<sup>th</sup> September 2023;
2. Resignation of Mr. Sadashiv Narayan Kavi (DIN: 05134904) as Non-Executive & Independent Director of the Company w.e.f 19<sup>th</sup> July, 2023.

**For Ragini Chokshi & Co  
(Company Secretaries)**

**Makarand Patwardhan  
(Partner) C.P. No. : 9031  
Membership No.: 11872  
PR No.: 659/2020  
UDIN:**

**Date: 13.08.2024  
Place: Mumbai**

***This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.***

***'Annexure -1'***

To,

The Members,

**VALECHA ENGINEERING LIMITED**

"Valecha Chambers" 4th Floor, Plot No.B-6,  
Andheri New Link Road, Andheri (West)  
Mumbai-400053

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate Governance and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Ragini Chokshi & Co  
(Company Secretaries)**

**Makarand Patwardhan  
(Partner) C.P. No. : 9031**

**Membership No.: 11872**

**PR No.: 659/2020**

**UDIN:**

**Date: 13.08.2024**

**Place: Mumbai**

## REPORT ON CORPORATE GOVERNANCE AS ON 31<sup>ST</sup> MARCH, 2024

A compliance report on Corporate Governance is included in this Annual Report in compliance of Regulation 34(3) read with Schedule V Part C appended to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter collectively termed as “said regulations”)

1. **Company’s Philosophy on Code of Governance:** The basic philosophy of Corporate Governance of the Company is to achieve business excellence and dedicate itself to increasing long-term shareholders value, keeping in view the need and interest of all its stakeholders’ viz. customers, shareholders, employees, regulatory bodies, vendors, bankers etc.

2. **Board of Directors:**

### Composition and size of the Board:

Prior to commencement of CIRP, the Board of the Company comprised of 5 (Five) Non-Executive and Independent Directors & 1(One) Non-Executive and Non-Independent Directors. The composition of the Board was in conformity with Regulation 17 of SEBI LODR read with Section 149 of the Act.

The powers of the Board of Directors got suspended due to initiation of CIRP. Mr. Anurag Kumar Sinha was appointed as the IRP/RP.

The members of the Board are acknowledged as businessmen and professionals in their respective fields.

Non-Executive Independent Directors bring independent judgment in the Board’s deliberations and decisions.

The Company has no pecuniary relationship/transaction with any of the Non-Executive Directors other than those disclosed elsewhere in this Annual Report.

### Board Meetings and Attendance.

#### NUMBER OF BOARD MEETING AFTER THE COMMENCEMENT OF INSOLVENCY PROCESS.

In terms of the SEBI (Listing Obligation and Disclosure Requirements) (Third Amendment) Regulation, 2018, Notification dated, May 31, 2018 read with an order dated **21.10.2022** of the Hon’ble National Company Law Tribunal (“NCLT”), Mumbai, all the roles and responsibilities of the Board of Directors/ Committees shall be fulfilled by the Resolution Professional in accordance with Section 17 and Section 23 of IBC and powers of the Board of Directors/ Committee stands suspended.

Mr. Anurag Sinha appointed as Interim Resolution Professional (IRP) by the National Company Law Tribunal by order dated **21.10.2022** and subsequently confirmed as the Resolution Professional (hereinafter referred to as the “RP”) by the Committee of Creditors (hereinafter referred to as the “CoC”) via e-voting conducted in the meeting of the CoC, which concluded on **30.11.2022**, to carry out the CIR Process for the Company.

However, as the power of the Board of Directors of your Company stands suspended and the Resolution Professional has been overseeing the day to day operations of the Company during the year under review.

There were 5 Board Meetings were held during the period from **01.04.2024 to 31.03.2024** namely:

12.06.2023	31.07.2023 01.08.2023	10.11.2023	21.02.2024 23.02.2024
	14.08.2023 23.08.2023		

The above Boars meeting held for limited and specific purpose for approving by Mr. Anurag Sinha as a resolution professional, the un-audited and audited results for the quarter ended June, September, December & March to comply with the provision of the Companies act 2013 and SEBI LODR Regulations 2015

None of the suspended Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees in which he/ she is a Director.

The following table gives details of Directors, Attendance of Directors at the Board Meetings and the last Annual General Meeting, number of memberships held by Directors in the Board/Committees of various other companies:

Name	Category	DIN	Attendance particulars		Number of other Directorship and Committee Membership/Chairmanship		
			Board Meeting	Last AGM	Other Directorship (excluding Pvt. Ltd. Companies)	Committee Membership	Committee Chairmanship

*Mrs. Lalna Takekar	Non-Executive Director	08111805	Not Applicable	4	3	-
**Mr. S. N. Kavi	Non-Executive and Independent Director	05134904		-	3	-
***Ms. Chetna Verma	Non-Executive and Independent Director	08981045		4	1	1
****Ms. Bharti Ranga	Non-Executive and Independent Director	06864738		2	0	-
*****Mr. Achal Kapoor	Non-Executive and Independent Director	09150394		6	8	2
*****Ms. Swati Jain	Non-Executive and Independent Director	09436199		7	2	2

\* Mr. S. N. Kavi resigned as a Non-Executive and Independent Director of the Company w.e.f. 19.07.2023.

\*\* Ms. Chetna Verma ceased as a Non-Executive and Independent Director of the Company w.e.f. 30.09.2023.

\*\*\* Ms. Bharti Ranga ceased as a Non-Executive and Independent Director of the Company w.e.f. 30.09.2023

\*\*\*\* Mr. Achal Kapoor ceased as a Non-Executive and Independent Director of the Company w.e.f. 30.09.2023

\*\*\*\*\* Ms. Swati Jain resigned as a Non-Executive and Independent Director of the Company w.e.f. 14.12.2023.

### 3. Audit Committee

#### Terms of Reference in brief:

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee subject to Section 177 of the Companies Act, 2013 and Regulation 18 and Part C of Schedule II of the SEBI Listing Regulations, 2015:

- i. Overseeing of the Company's financial reporting process and disclosure of financial information and financial/risk management policies.
- ii. Review of Quarterly and Annual Financial Statements ensuring compliance with regulatory guidelines and auditors report thereon.
- iii. Review of the adequacy of Internal Control Systems, discussion on significant Internal Audit findings including internal control and weakness, if any and risk management.
- iv. Recommend appointment, removal of Statutory Auditors, Cost Auditors, Internal Auditors & their remuneration.
- v. Review and approval of material related parties' transactions and subsequent modification thereto.
- vi. Review and approve appointment of CFO or any other person heading the finance function.
- vii. Review and monitor the auditor's independence and performance and effectiveness of audit process.
- viii. Scrutiny of inter-corporate loans and investments.
- ix. Valuation of undertakings or assets of the Company, wherever it is necessary.
- x. Review Management Discussion & Analysis of financial condition and the Company's Financial Results
- xi. Review areas of operation of Internal Audit team & their performance

#### Composition of Audit Committee of the Board:

Prior to the initiation of CIRP and suspension of the Board w.e.f. **21.10.2022**, the Board had constituted Audit committee with members as mentioned below, to enable better management of the affairs of the Company, with terms of reference in line with provisions of the Act and SEBI LODR Regulations.

Name of Director	Category	Chairman/Member
Mrs. Lalna Takekar	Non-Executive Director	Chairperson
Mr. S.N. Kavi upto 19.07.2023	Non-Executive Independent Director	Member
**Ms. Chetna Verma upto 30.09.2023	Non-Executive Independent Director	Member
***Ms. Bharti Ranga upto 30.09.2023	Non-Executive Independent Director	Member
****Mr. Achal Kapoor upto 30.09.2023	Non-Executive Independent Director	Member
Ms. Swati Jain upto 14.12.2023	Non-Executive Independent Director	Member

## 47th Annual Report 2023-2024

### Meetings of the Audit Committee:

The Audit Committee met 5 times during the year **2023-2023** namely:

31.07.2023	10.11.2023	21.02.2024
01.08.2023		23.02.2024
14.08.2023		
23.08.2023		

The attendance of the members at the Audit Committee meetings held during the period from **01.04.2023 to 31.03.2024** was as follows:

Name of Director	Position	Attendance at Meetings
Mrs. Lalna Takekar	Chairperson	Not Applicable
Mr. S.N. Kavi	Member	
Ms. Chetna Verma	Member	
Ms. Bharti Ranga	Member	
Mr. Achal Kapoor	Member	

The Chief Financial Officer is a permanent invitee at the meeting.

The Company Secretary acts as the Secretary to the meeting

#### 4. Nomination and Remuneration Committee:

The terms of reference of the Nomination and Remuneration Committee are mentioned in the provisions of Section 178 of the Companies Act, 2013 read with Part D(A) of Schedule II and Regulation 19 of the SEBI Listing Regulations, 2015:

- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board his/her appointment and removal;
- Conduct the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board.
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

Prior to the initiation of CIRP and suspension of the Board w.e.f. **21.10.2022**, the Board had constituted Nomination and Remuneration Committee as mentioned below, to enable better management of the affairs of the Company, with terms of reference in line with provisions of the Act and SEBI LODR Regulations.

Name of Director	Category	Chairman/Member
Mrs. Lalna Takekar	Non-Executive Director	Chairperson
Mr. S.N. Kavi upto 19.07.2023	Non-Executive Independent Director	Member
**Ms. Chetna Verma upto 30.09.2023	Non-Executive Independent Director	Member
***Ms. Bharti Ranga upto 30.09.2023	Non-Executive Independent Director	Member
**** Mr. Achal Kapoor upto 30.09.2023	Non-Executive Independent Director	Member
Ms. Swati Jain upto 14.12.2023	Non-Executive Independent Director	Member

The Company Secretary acts as the Secretary to the meeting.

**Remuneration policy and Remuneration paid to Directors:** The sitting fees paid to the Non-Executive Directors for the **F.Y. 2023-2024** was **NIL** per meeting of the Board, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

**For the period from 01.04.2023 to 31.03.2024**

(Rs.)

Sr. No.	Name of Directors	Total Sitting Fees
1	Mrs. Lalna Takekar	NOT APPLICABLE
2	Mr. S.N. Kavi upto 19.07.2023	
3	**Ms. Chetna Verma upto 30.09.2023	
4	***Ms. Bharti Ranga upto 30.09.2023	
5	**** Mr. Achal Kapoor upto 30.09.2023	
6	Ms. Swati Jain upto 14.12.2023	

The Company does not have any stock option scheme. Other than above mentioned fees, no other remuneration is paid to non-executive directors.

**Performance Evaluation criteria for Directors:** Since the powers of the Board of Directors has been suspended with effect from **21.10.2022** pursuant to Hon'ble NCLT Order dated **21.10.2022**, evaluation of Board has not taken place during the year under review.

**5. Independent Directors' Meeting:**

During the period under review no meeting of Independent Directors was held as the Company as under Corporate Insolvency Resolution Process (CIRP) and its power shall be fulfilled by the Resolution Professional in accordance with section 17 and 23 of Insolvency and Bankruptcy code 2016 and powers of the Board of Directors stand suspended.

The CIRP commenced on **21.10.2022**. After initiation of CIRP, no Meeting of Independent Directors was convened.

**6. Familiarization programme for Independent Directors:**

The Company has not provided Familiarization Programme for Independent directors after the commencement of CIRP Process as the powers of the Board stand suspended.

**7. Stakeholder's Relationship Committee:**

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) against the company. In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI listing Regulations, Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, as amended from time to time., the Board has constituted the stakeholders' Relationship Committee. The Company has also adopted code of internal procedures and conduct for prevention of insider trading in the shares of the Company, pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

As per SEBI (Listing Obligations and Disclosure Requirements) ( Third Amendment) Regulations, 2018, **dated 31<sup>st</sup> May, 2018** all the roles and responsibilities of the Board of Directors/ Committees shall fulfilled by the Resolution Process in accordance with Section 17 and Section 23 of IBC and powers of the board of Directors/Committee stands suspended.

Name of Director	Category	Chairman/Member
Mrs. Lalna Takekar	Non-Executive Director	Chairperson
Mr. S.N. Kavi upto 19.07.2023	Non-Executive Independent Director	Member
**Ms. Chetna Verma upto 30.09.2023	Non-Executive Independent Director	Member
***Ms. Bharti Ranga upto 30.09.2023	Non-Executive Independent Director	Member
**** Mr. Achal Kapoor upto 30.09.2023	Non-Executive Independent Director	Member
Ms. Swati Jain upto 14.12.2023	Non-Executive Independent Director	Member

The Company Secretary acts as the Secretary to the meeting.

All the requests / correspondence received for the financial year ended **31<sup>st</sup> March, 2024**, were duly addressed by the Company/Registrar & Transfer Agent, **Link Intime India Pvt. Ltd.**, upto **30.09.2024** Appropriately No queries are pending for resolution except where they are constrained by dispute or legal impediments or due to incomplete or non-submission of documents by the concerned Shareholders.

Prior to the initiation of CIRP and suspension of the Board w.e.f. **21.10.2022**, the Board had constituted Stakeholders Relationship Committee with members as mentioned below, to enable better management of the affairs of the Company, with terms of reference in line with provisions of the Act and SEBI LODR Regulations, 2015.

During the year under review, all the complaints received from the shareholders were resolved.

**8. Risk Management Policy:** The Company has set up a Risk Review Team ('Team') to review the risks faced by the Company and monitor the development and deployment of risk mitigation action plans. The Team reports to the Board of Directors and the Audit Committee who provide oversight for the entire risk management framework in the Company.

Accordingly, during the year, the Directors have reviewed the risk management policy and processes and also the risks faced by the Company and the corresponding risk mitigation plans deployed.

The Company is not required to constitute a Risk Management Committee, as the Company falls outside the purview of the provisions of Regulation 21(5) of the SEBI Listing Regulations, 2015.

**9. Details of establishment of Vigil Mechanism for directors and employees:** In compliance with the provisions of section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism/Whistle Blower policy with a view to maintain high standards of transparency in Corporate Governance, deal with unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, if any. No communication from any employee of the company under the Whistle Blower Policy was received during the year.

**10. Subsidiary Companies:** None of the Company's subsidiary is a material subsidiary during the year under review.

The Audit Committee reviews the financial statements including the investments made by the unlisted subsidiary companies. The minutes of the Board of Directors of the unlisted subsidiary companies are provided to the Board of Directors of the Company as a part of the Board Meeting Agenda notes.

## 11. General Body Meetings:

The details of last three Annual General Meeting of the Company are as follows:

Date	Time	Details of Special Business	Relevant Section	Location
<b>28.09.2023 for the Financial Year 2022-23</b>	11.30 am	Renewal of Appointment of Ms. Swati Jain as a Non-Executive and Independent Director To consider the ratification of payment of remuneration to the Cost Auditor	149,150,152 of the Companies Act, 2013 Sec.148	Through Video Conferencing (VC)/other Audio Visual Means (OAVM) at the Registered Office of the Company
<b>30.12.2022 for the Financial Year 2021-22</b>	9.30 am	to approve the request received from Mr. Dinesh Valecha, Dinesh Valecha- Karta for Hariram Pyarelal Valecha (HUF) and Mrs. Geeta Valecha for re-classification of their status from 'Promoter' category to 'Public' category in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	Regulation 31A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Through Video Conferencing (VC)/other Audio Visual Means (OAVM) at the Registered Office of the Company
		Regularization of Additional Director, Ms. Swati Jain as a Non- Executive & Independent Director	149,150 & 152	
		Renewal of appointment of Ms. Chetna Verma as a Non- Executive & Independent Director for a period of 1 year		
		Renewal of appointment of Ms. Bharti Ranga as a Non- Executive & Independent Director for a period of 1 year		
		Renewal of appointment of Mr. Achal Kapoor as a Non- Executive & Independent Director for a period of 1 year		
		To consider the ratification of payment of remuneration to the Cost Auditor	148	
<b>31.03.2021 for the Financial Year 2020-21</b>	9.30 am	Regularization of Additional Director, Ms. Chetna Verma as a Non- Executive & Independent Director	149,150 & 152	Through Video Conferencing (VC)/ other Audio Visual Means(OAVM) at the Registered Office of the Company
		Regularization of Additional Director, Ms. Bharti Ranga as a Non- Executive & Independent Director		
		Regularization of Additional Director, Mr. Achal Kapoor as a Non- Executive and Independent Director		
		To consider the ratification of payment of remuneration to the Cost Auditor	148	

As on date of this report, there is no proposal to pass any special resolution through Postal Ballot.

## 12. Disclosures:

- There are no transactions of material nature that have been entered into by the Company with the Promoters, Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company. Transactions with related parties are disclosed in notes to Accounts forming part of the Balance Sheet in the Annual Report.
- The Directors' Report includes details of Management Discussion and Analysis including Risks & Concerns.
- Whistle Blower Policy: The Company takes cognizance of complaints made and suggestions given by the employees and others.
- The mandatory requirements as per SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015 have been complied with by the Company.

## 13. Means of Communication:

- Quarterly/Half yearly/Financial results are published in leading English & Marathi newspapers.
- Quarterly, Half Yearly and Annual Financial Results of the Company immediately after approval of the Board are sent to the Stock Exchange together with a copy of Limited Review Report/Audit Report and Half-yearly Statement of Assets & Liabilities as applicable.
- All the data related to Quarterly, Annual Financial Results, Shareholding Pattern etc. are uploaded as required in terms of SEBI (Listing Obligation and Disclosure Requirement), Regulations 2015.
- Management Discussion and Analysis Report forms part of the Annual Report.



- 14. Reconciliation of Share capital Audit Report:** A qualified practicing Company Secretary carried out a Reconciliation of Share capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the total number of dematerialized shares held with NSDL and CDSL.
- 15. Code of Conduct:** Prior to the commencement of CIRP, the Board has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company and the same is posted on the Company's website "www.valecha.in". All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Key Managerial Personnels have been obtained and is enclosed below.

**DECLARATION UNDER CODE OF CONDUCT:**

It is hereby confirmed that all the Directors and Senior Management Personnel (i.e. one level below the executive directors, including all functional heads) of the Company have received, read and understood for compliance with the Code of Conduct framed by the Company and confirmations for the year ended **31.03.2024** have been obtained from the Directors and Senior Management Personnel of the Company.

For and on behalf of the Board

**For VALECHA ENGINEERING LIMITED**

**Tarun Dutta**

Chief Executive Officer

**Anil Korpe**

Chief Financial Officer

**Vijaykumar H. Modi**

Company Secretary

Date : 19.11.2024

Place : Mumbai

- 16. CEO/CFO Certification:** The Chief Executive Officer and the Chief Financial Officer of the Company have issued a certificate to the Resolution Professional for the financial year ended **31<sup>st</sup> March, 2024**.

- 17. VEL Code of Conduct for Prevention of Insider Trading:** In compliance with SEBI's regulation on prevention of insider trading, the Company had instituted a comprehensive Code of Conduct for prevention of Insider Trading for its Designated Persons. The Code lays down guidelines, which regulates Trading Window period, seeks disclosures of annual holdings and prohibits dealing in shares of the Company during the closure of Trading Window or when in possession of unpublished price sensitive information, besides compliance with other related matters.

In accordance with the newly notified SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 the Company has laid down new Code of Conduct to regulate, monitor and report trading by Designated Persons pursuant to Regulation 9(1) and Schedule B of the SEBI (Prohibition of Insider Trading) Regulations.

**18. General Shareholder Information:**

<b>47<sup>th</sup> Annual General Meeting</b>	<b>Day &amp; Date: Friday, 27.12.2024</b> <b>Time : 03.30 P.M.</b> <b>Venue : Valecha Chambers", 4th Floor, Andheri New Link Road, Andheri (West), Mumbai-400 053.</b>	
Book Closure	The Register of Members and Share Transfer Books of the Company will remain closed from the <b>24.12.2024 to 26.12.2024</b> (both days inclusive).	
Cut-off Date	<b>Thursday, 19.12.2024</b>	
Period of E-voting	Starts on Tuesday, <b>24.12.2024</b> at 9.00 A.M. (IST) and ends on Thursday, <b>26.12.2024</b> at 5:00 P.M. (IST)	
Financial Calendar	April to March (Financial year) First Quarter Results – 1st/2nd week of August Second Quarter Results – 1st/2nd week of November Third Quarter Results – 1st/2nd week of February Annual Audited Result – Last week of May	
Listing on Stock Exchange	<b>BSE Limited</b>	<b>National Stock Exchange of India Limited</b>
a) Stock Code No.	532389	VALECHAENG
b) Code on Screen	532389	VALECHAENG
Disclosure on suspension of trading	The Company has made application to BSE Limited and National Stock Exchange of India Limited for revocation of suspension of trading. The Company has paid Annual Listing Fees for the F Y 2023-24 to BSE & NSE.	

Registrar and Transfer Agents	<b>BIGSHARE SERVICES PRIVATE LIMITED.</b> CIN: U99999MH1994PTC076534 S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park Mahakali Caves Road, Andheri East, Mumbai 400093. Tel : 62638300 / 62638299 Fax : 32638399
-------------------------------	---

\*Share Transfer System: The Company's Shares are traded in compulsory demat mode and are transferable through depository system. All the physical transfers received are processed by the registrar and transfer agents and approved by Share Transfers Committee, which meets at regular intervals.

\*Distribution of Shareholding: As on **31.03.2024**.

Valecha Engineering Limited							
Distribution of Shareholding Based on Share Held							
Report Type : All (NSDL+CDSL+PHYSICAL)							
SERIAL #	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	11823	81.8937	1825658	8.1032
2	501	to	1000	1310	9.0739	1070818	4.7528
3	1001	to	2000	659	4.5647	1008371	4.4757
4	2001	to	3000	240	1.6624	612186	2.7172
5	3001	to	4000	109	0.755	390457	1.7331
6	4001	to	5000	79	0.5472	374928	1.6641
7	5001	to	10000	122	0.8451	909306	4.036
8	10001	to	*****	95	0.658	16338301	72.5179
<b>Total</b>				<b>14437</b>	<b>100</b>	<b>22530025</b>	<b>100.0000</b>
Data Extracted on : 02 Apr 2024 Face Value (INR) : 10 ISIN : INE624C01015							
NSDL Data as of : 31 March 2024 CDSL Data as of 31 March 2024							

Shareholding Pattern as on 25.06.2024			
Sr No.	Category	No. Shares	%
1	Promoters (Promoter group)	2,14,03,524	95.00%
2	NRI's	64,910	0.29%
3	Body Corporate	1,03,958	0.46%
4	Financial Institutions / MFs	50,789	0.23%
5	Foreign Institution Investors	1,72,061	0.76%
6	Foreign Company	72,561	0.32%
7	Independence Director	8,733	0.04%
8	Indian Public	6,35,766	2.82%
9	Trust	33	0.00%
10	Investor Education Protection Funds	17,690	0.08%
<b>Total</b>		<b>2,25,30,025</b>	<b>100.00%</b>

\*Dematerialization of Shares: As on **31.03.2024**, **98.70%** of the Company's total shares representing **2,22,37,803** shares were held in dematerialized form.

The Share are available in Demat form with:

- Central Depository Services (India) Limited ISIN-INE624C01015
- National Securities Depository Limited ISIN-INE624C01015

\*Plant Location: The Company has various sites.

\*Address for correspondence:

**(1) Company:**

**VALECHA ENGINEERING LIMITED**

"Valecha Chambers", 4th Floor,

Andheri New Link Road,

Andheri (West), Mumbai-400 053.

CIN : L74210MH1977PLC019535

Tel : 022 - 2673 3625 to 29

Fax : 022 - 2673 3945

E-mail: [ho@valecha.in](mailto:ho@valecha.in); [investor.relations@valecha.in](mailto:investor.relations@valecha.in)

For and on behalf of the Board of Director

For **VALECHA ENGINEERING LIMITED**

**SHASHIKANT G. BHOGE**

**CHAIRMAN (DIN: 05345105)**

Place: Mumbai

Date: **18.11.2024**

## CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

**Valecha Engineering Limited**

Valecha Chambers 4<sup>th</sup> Floor,  
 Plot No.B-6, Andheri New Link Road,  
 Andheri(W), Mumbai, 400053

We have examined the compliance of the conditions of Corporate Governance by **Valecha Engineering Limited** (the Company) for the year ended March 31, 2023 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Company Secretaries of India (the "ICSI"), was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given, as per SEBI Listing Regulations for the year ended March 31, 2024.

We certify that NCLT, Mumbai, vide their order dated October 21, 2022 appointed Mr. Anurag Kumar Sinha as Interim Resolution Professional of the Company. Pursuant to Regulation 15(2A) and 15(2B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the corporate governance provisions as specified in regulations 17, 18, 19, 20 and 21 shall not be applicable during the insolvency resolution process period in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016. However, the role and responsibilities of the board of directors as specified under regulations 17, 18, 19, 20 and 21 shall be fulfilled by the interim resolution professional or resolution professional in accordance with sections 17 and 23 of the Insolvency and Bankruptcy Code, 2016.

- *Pursuant to Reg 23(9) of SEBI (LODR) Regulations, 2015 the listed entity has made delay in filing disclosure of related party transactions on consolidated basis for the half year ended March, 2023 and September 2023.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**NOTE: The Resolution Plan submitted by J K Solutions Private Limited in consortium Event accord after 31st March 2024 but before proposed Annual General Meeting:**

**The Resolution Plan submitted by J K Solutions Private Limited in consortium with One Media Facility Management has been approved by Committee of Creditors in its meeting held on 25th November 2023 and was thereafter submitted to the Honourable National Company Law Tribunal Mumbai Bench (NCLT) for its approval.**

**The Honourable National Company Law Tribunal Mumbai Bench (NCLT) vide its order dated 25th June 2024 approved the said Resolution Plan.**

**The company has uploaded INC-28 along with the certified copy of aforesaid NCLT order on 30th July 2024 and the same has been approved by the Ministry of Corporate Affairs vide their Email dated 1st August 2024.**

**For Ragini Chokshi & Co.**  
**(Company Secretaries)**

**Makarand Patwardhan**  
**(Partner)**

**CP No: 9031**

**ACS: 11872**

**UDIN:**

**PR Certificate no.:**

**Place: Mumbai**

**Date: 13.08.2024**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,

The Members of,

**VALECHA ENGINEERING LIMITED**

Valecha Chambers, 4th Floor, Plot No. B-6,

Andheri New Link Road, Andheri (W)

Mumbai-400053

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **VALECHA ENGINEERING LIMITED** having CIN L74210MH1977PLC019535 and having registered office at Valecha Chambers, 4th Floor, Plot No. B-6, Andheri New Link Road, Andheri (W), Mumbai 400053 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	SADASHIV NARAYAN KAVI	05134904	14/11/2019
2.	LALNA BHARAT TAKEKAR	08111805	28/03/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**For Ragini Chokshi & Co.**  
**(Company Secretaries)**

**Makarand Patwardhan**  
**(Partner)**

**COP No.: 9031**

**ACS No.: 11872**

**UDIN:**

**PR No.: 689/2020**

**Place: Mumbai**

**Date: 13.08.2024**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India's high growth imperative and will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (US\$ 133.86 billion), which would be 3.4 % of GDP. As per the Interim Budget 2023-24, a capital outlay of Rs. 2.55 lakh crore (US\$ 30.72 billion) has been made for the Railways, an increase of 5.8% over the previous year.

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities.

In the last 10 years, 697 km have been added to Metro Rail Network across the country. In 2024, about 945 km of metro rail lines are operational in 21 cities and 919 km is under construction in 26 different cities.

At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms.

Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12<sup>th</sup> five-year plan, with 40% of the funds coming from the private sector.

**Financial and Operational Performance** The Company has achieved a turnover of Rs. 57.01.crores for the year ended **31st March, 2024** against Rs. 90.07 crores in the previous year.

**Internal Control System** The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorized use or disposition of its assets. All transactions are properly authorized, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.

## 47th Annual Report 2023-2024

Consequent to implementation of Companies Act, 2013 (Act), the Company has complied with the specific requirements in terms of Section 134(5) (e) of the Act calling for establishment and implementation of an Internal Financial Control framework that supports compliance with requirements of the Act in relation to the Directors' responsibility statement.

**Human Resources** The company's mission has always been in creating an exciting workplace where opportunities are made available for employees to perform, deliver results to their fullest potential and add value to the organizational growth. Effective and judicious redeployment of manpower played a significant role in ensuring timely mobilization of key personnel required at new project sites.

Improved communication channels, periodic brain-storming sessions, sharing best practices and use of technology to our advantage, augmented the seamless working between sites and various departments and brought in the required coordination for achieving our company's goals & objectives. Periodic reviews and visits were undertaken to ensure costs are kept under control amidst stringent monitoring.

The Top Management's active involvement in Operations provided the thrust & impetus for smooth & effective execution of ongoing projects. Senior leadership team continued to guide, mentor and instill the sense of pride, ownership & commitment amongst the employees so as to strive to excel in this highly competitive Infrastructure industry.

### SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS COMPARED TO PREVIOUS YEAR

Sr. No.	Particulars	2023-24	Change %
1	Debtors Turnover	N A	N A
2	Current Ratio	0.95	0%
3	Debt Equity Ratio	30.14	7%
4	Operating Profit Margin (%)	-4.24%	-81%
5	Net Profit Margin (%)	-2.63%	-87%

**Cautionary Statement** Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations and interest costs.

## Independent Auditor's Report

To The Members of Valecha Engineering Limited

Report on the Audit of Standalone Financial Statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

1. The Honourable National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by a Financial Creditor under Section 7 of Insolvency & Bankruptcy Code, 2016 ("IBC") against Valecha Engineering Limited ("the Company") vide its order dated 21.10.2022 and appointed Mr. Anurag Kumar Sinha to act as the Interim Resolution Professional (IRP) (Later on confirmed as Resolution Professional(RP) by CoC). Anurag Kumar Sinha in his capacity as IRP had taken control and custody of the management and operations of the Company from October 21, 2022. Thereafter, Committee of Creditors of the Corporate Debtors, at the meetings of the CoC held on November 30, 2022, has confirmed the Interim Resolution Professional as the Resolution Professional ("RP"). RP has invited multiple resolution plans for revival of the Company. The Resolution Plan submitted by one of the Resolution Applicant has been approved by the members of the Committee of Creditors ("CoC"). The RP filed an application bearing IA No. 5819(MB) of 2023 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan. The same is pending for approval before Hon'ble NCLT Mumbai.

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon'ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Company on a going concern basis during the CIRP.

### Qualified Opinion

We have audited the accompanying standalone financial statements of **Valecha Engineering Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects, if any, of the matters described in the "Basis for Qualified Opinion" paragraph of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Qualified Opinion

We draw attention to:

- i. As explained in Note No. 45 to the Standalone Statement, Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional(RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code for initiation of CIRP.

Valecha Engineering Limited (VEL) has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the account of VEL during CIRP.

The Company has also neither evaluated any impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" nor made any fair valuation as per the requirements of Ind AS 113 "Fair Value Measurements" in respect of its Investment made of Rs. 39.84 crores and loan given of Rs. 73.46 crores to VKTRL, in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such outstanding Loans, Investments and Corporate Guarantees to VKTRL, the Net Loss of the Company would have increased by Rs. 1104.00 Crores.

- ii. As explained in Note No. 46 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by VEL has been invoked by the secured financial creditors of VLMTPL. However, the Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such Corporate Guarantees to VLMTPL, the Net Loss of the Company would have increased by Rs 261.14 Crores.

- iii. As explained in Note 47 to the Standalone Statement, the Company has not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to Investments aggregating to Rs. 2.19 crores in four subsidiary companies, Loans & advances aggregating to Rs.180.45 crores given to its four subsidiary companies and one step-down subsidiary company.

Further, Corporate Guarantees aggregating to Rs.168.81 crores to Banks on behalf of one Subsidiary company and one Step-down Subsidiary company has been invoked by the respective secured financial creditors of the above mentioned subsidiary and step down subsidiary. However, no provision has been made by the Company in this regard in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such Investments, Loans and Corporate Guarantees, the Net Loss of the Company would have increased by Rs. 351.45 Crores.

- iv. As explained in Note No. 48 to the Standalone Statement, the Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs. 33.87 crores as at March 31, 2024.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the standalone financial statements for the year ended March 31, 2024.

- v. As explained in Note No. 49 to the Standalone Statement, the Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Company continues to not recognise the interest payable on its borrowings during the year ended March 31, 2024 in view of likely resolution in CIRP of the Company.

The Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.

In absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the standalone financial statements for the year ended March 31, 2024, which may arise on account of non-provision of interest on loans and statutory dues as referred above.

- vi. As explained in Note No. 50 to the Standalone Statement, the Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Company, the Company has not provided any further interest on these outstanding overdue deposits in prior years. The Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of likely resolution in CIRP of the Company.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the standalone financial statements for the year ended March 31, 2024.

- vii. As explained in Note No. 51 to the Standalone Statement, Other Non-Current Assets as at March 31, 2024 includes Rs 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on standalone financial statements for the year ended March 31, 2024.

Had the Company made provision towards such indirect taxes from Government Authorities, the Net Loss of the Company would have increased by Rs 31.35 Crores.

- viii. As explained in Note No. 52 to the Standalone Statement, the Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the year ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in point iv above, balances with revenue authorities of Rs. 8.33 crores referred in point vii above] and total liabilities of Rs. 26.70 crores as at March 31, 2024. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on standalone financial statements for the year ended March 31, 2024 had the said units been audited by us.

- ix. As explained in Note no 53 to the Standalone Statement, the Company has one in-operative and dormant Bank accounts for which no bank statements are available with the Company. The Company is in the process of obtaining the statements of such inoperative and dormant bank accounts.

In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the standalone financial statements for the year ended March 31, 2024.

- x. As explained in Note no 54 to the Standalone Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the standalone financial statements for the year ended March 31, 2024 the amounts whereof are presently not ascertainable.

- xi. As explained in Note no 55 to the Standalone Statement, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Company. However, the Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Company



Had the Company made provision towards Invocation of bank guarantees, the Net Loss of the Company would have increased by Rs 13.40 Crores.

- xii. As explained in Note no 57 to the Standalone Statement, RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Company. However, pending receipt of final order, the Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors.

In absence of receipt of the final order, we are unable to comment upon the resultant impact, if any, on the standalone financial statements for the year ended March 31, 2024, which may arise on account of giving the order effect towards the reconciliations/adjustments in the books of accounts.

- xiii. There are various Legal Cases filed by / against the Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the standalone financial statements for the year ended March 31, 2024 the amounts whereof are presently not ascertainable.

The matters stated above except point (xi) and (xii) were also subject matter of qualification in our audit conclusion/ opinion on the standalone financial statements for the year ended March 31, 2023.

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Standalone financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Standalone financial Statements.

**Material Uncertainty Related to Going Concern:**

We draw attention to Note No. 49 & Note No. 56 to the Standalone Financial Statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded and there has been defaults in repayment of various borrowings and deposits. These conditions, along with the commencement of CIRP proceedings as set forth in Note No 42, indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. However, the standalone financial Statements of the Company have been prepared on a going concern basis for the reasons stated in Note No.55 to the Standalone Financial Statement.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor’s response
1	<b>Revenue from Construction Contracts</b>	
	<p>There are significant accounting judgment including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The Company recognizes revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract.</p> <p>Refer to Note No. 2.7 Summary of significant accounting policies – “Revenue Recognition” of the Standalone Financial Statements</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the Company’s revenue recognition accounting policies in line with Ind AS 115 and testing thereof.</li> <li>• Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>• Testing the relevant information technology systems’ access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard;</li> <li>• Testing a sample of contracts for appropriate identification of performance obligations;</li> <li>• For the sample selected, reviewing for change orders and the impact on the estimated costs to complete;</li> <li>• Discussion with the qualified &amp; experienced project personnel regarding estimates of costs to complete for sample contracts, determination of milestones, various inherent contingencies in the contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul>

### **Information Other than the Standalone Financial Statements and Auditor's report thereon**

The Company's Management is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on, the work we have performed, we conclude that there is a material misstatement of this other information; we required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements**

The Resolution Professional is currently managing the operations of the company and Standalone Financial Statements have been prepared on going concern basis. The Company's Management is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Resolution Professional is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Resolution Professional are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) Except for the matters stated in "Basis for Qualified Opinion" paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Except for the matters stated in "Basis for Qualified Opinion" paragraphs above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
  - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) Except for the effects / possible effects of matters described in the "Basis for Qualified Opinion" paragraphs above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
  - (e) The matters described in the "Basis for Qualified Opinion" paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on records by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a Director in terms of Section 164(2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls with reference to Standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid remuneration to its directors during the year.
  - (i) With respect to the other matters to be included in the Auditor's report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the standalone financial statements disclose the impact of pending litigations on financial position of the Company. [Refer Note No. 32 & 58 to the Standalone Financial Statements]
    - ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the Company has made provision, as required under the applicable law or Ind AS for material foreseeable losses, if any, on long-term contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) during the year by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company during the year from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2024 and hence reporting compliance of Section 123 of the Act is not applicable.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which does not have a feature of recording audit trail (edit log) facility.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Bagaria & Co. LLP**  
Chartered Accountants  
Firm registration No. – 113447W/W-100019

Place: Mumbai  
Date: May 30, 2024

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 24143503BKDZJR5087

**ANNEXURE “A” REFERRED TO IN PARAGRAPH “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF THE COMPANY FOR THE YEAR ENDED 31st March, 2024**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- i. a) In respect of Company's Property, Plant and Equipment (PPE) and Intangible Assets:
  - A. The Company has maintained proper records, showing full particulars including quantitative details and situation of its PPE.
  - B. The Company does not have any intangible assets.
- b) As explained to us, the Company has a phased program for physical verification of the property, plant & equipment for all major locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its property, plant and equipment. Pursuant to the program of the physical verification of property, plant and equipment, physical verification of the assets has been carried out during the year and no material discrepancies were noticed on such verification.
- c) Based on the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, other than properties where the company is lessee and lease agreements are duly executed in favour of the Company, are held in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and equipment (including right- of-use assets) and intangible assets during the year. Accordingly, the provisions of Clause 3(i)(d) of the Order are not applicable to the Company.
- e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated during the year or are pending as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder. Accordingly, the provisions of Clause 3(i)(e) of the Order are not applicable to the Company. (Refer Note no. 59 (A) to the standalone financial statements).
- ii. a) According to the information and explanations given to us, the inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- b) The Company has working capital limits in excess of 5 crore sanctioned by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have not been filed by the Company with such banks.
- iii. The Company has not made any investment nor provided any guarantees or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under Clause iii (a) to iii (f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has generally complied with the provisions of Sections 185 and 186 of the Companies Act 2013, in respect of grant of loans, making investments and providing guarantees and securities, to the extent applicable.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposit from the public. However, the Company has defaulted in repayment of Deposits accepted in previous years amounting to Rs.22.94 Crores. Further, the Company has also not made provision towards penal interest and fine as applicable under rule 21 of (Acceptance of Public Deposit) Rules, 2014. The public deposit holders, being the financial creditors are a part of the CoC as per Insolvency code and the repayment thereof is incumbent upon successful resolution plan for the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays.
- a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, except for the following :

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the amount relates	Due Date
Income Tax Act, 1961	Tax Deducted at source	1.08	FY 2016-17	7th day from the end of the relevant month.
		1.21	FY 2021-22	
		0.14	FY 2022-23	
<b>Total</b>		<b>2.43</b>		

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the amount relates	Due Date
Goods and Service Act, 2017	Goods and Service Tax	0.01	FY 2017-18	20 <sup>th</sup> day from the end of the relevant month.
		0.01	FY 2018-19	
		0.01	FY 2019-20	
		0.00	FY 2021-22	
		<b>0.03</b>		
Profession Tax Act, 1975	Profession Tax	0.00	FY 2022-23	30 <sup>th</sup> day from the end of the relevant month.
		0.00	April 2023 to September 2023	30 <sup>th</sup> day from the end of the relevant month.
		<b>0.00</b>		
Provident Fund & Misc Provision Act 1952	Provident Fund	0.03	April 2022 to September 2022	15 <sup>th</sup> day from end of the relevant month
<b>Total</b>		<b>0.03</b>		

- b) There are no amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax, Goods and Service Tax which have not been deposited on account of any disputes except as under:

Name of the Statute	Nature of the Dues	Amount (Rs.in Crs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Penalty proceedings towards Under Reporting Income	0.43	AY 2017-18	Commissioner of Income-tax (Appeals)
		2.58	AY 2016-17	
		0.90	AY 2018-19	

- viii. According to the information and explanations given to us and based on our examination of records of the Company, there were no amounts to be recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) Based on our audit procedures and on the basis of information and explanations given to us, the Company has defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lenders as below:

Particulars	Amount of Default		Total	Period of Default
	Principal	Interest*		
<b>Term Loan</b>				
Central Bank Of India	35.98	13.04	49.02	3105 Days
Syndicate Bank	58.16	19.71	77.88	3012 Days
Yes Bank	6.90	1.65	8.56	2494 Days
State Bank of India (SBI)	12.08	3.47	15.56	2921 Days
<b>Working Capital Facilities</b>				
State Bank of India	193.69	42.08	235.78	2923 Days
Axis Bank Ltd	72.54	20.83	93.37	2932 Days
Canara Bank	21.16	1.93	23.08	3092 Days
DBS Bank India Ltd	26.55	-	26.55	2282 Days
<b>Fixed Deposits from Public</b>	22.94	-	22.94	3499 Days
<b>Machinery Loan</b>				
SREI Equipment Finance Ltd.	17.52	10.28	27.80	2556 Days
<b>Total</b>	<b>467.53</b>	<b>112.99</b>	<b>580.52</b>	

\*Interest on Borrowings has been accounted upto 31<sup>st</sup> March 2018(Refer Note no 49 of Standalone Financial Statements)

- (b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has been declared as wilful defaulter by Canara Bank in 2021 and Central Bank of India in 2019.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) During the year, the Company has not raised any short term funds during the year. Hence, the provisions of Clause 3(ix)(d) of the Order are not applicable to the Company.
- (e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and associate. Accordingly, the provisions of Clause 3(ix)(e) of the Order are applicable to the Company.
- (f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries. Accordingly, the provisions of Clause 3(ix)(f) of the Order are not applicable to the Company.

- x. (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence, reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence, reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed as required by the applicable Ind AS in Note 35 to the Standalone Financial Statements.
- xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedures.
- xv. Based on the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) As per the information and explanations given to us and as per the definition of Group under Core Investment Companies (Reserve Bank) Directions 2016, there are no Core Investment companies forming part of the group.
- xvii. The Company has incurred cash losses of Rs 1.11 crores in the current financial year and Rs. 18.69 crores in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Hence reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. As referred to in 'Material uncertainty related to Going concern' paragraph in our audit report and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors / Resolution Professional and Management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern as on the date of audit report and the capability of the Company for meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us and the records examined by us, no amount was required to be spent by the Company on the activities of CSR, as per provisions of Companies Act, 2013. Accordingly, reporting under paragraph 3(xx) of the Order are not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Bagaria & Co. LLP**  
Chartered Accountants  
Firm registration No. – 113447W/W-100019

Place: Mumbai  
Date: May 30, 2024

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 23143503BGWEOJ1389

**Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Valecha Engineering Limited of even date**

### **Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the Internal Financial Controls with reference to financial statements of **Valecha Engineering Limited** (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial Controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to financial statements included obtaining an understanding of Internal Financial Controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to financial statements**

A Company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial controls with reference to financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the entity are being made only in accordance with authorisations of management; (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of Internal Financial Controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company’s internal financial controls with reference to financial statements as at March 31, 2024:

- a. The Company is not having a full fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by the system, required manual intervention and to that extent there are limitations in control system and processes.

The discrepancies noticed due to the above weakness, were, however, rectified by the year end with manual intervention.

- b. The Company did not have an appropriate internal control system at some projects sites which could potentially result in material misstatements in the Company’s trade liabilities, trade receivables and other assets.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.



**Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the said Guidance Note.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2024 and these material weaknesses affect our opinion on standalone financial statements of the Company for the year ended March 31, 2024 [our audit report dated May 30, 2024, which expressed an qualified opinion on those standalone financial statements of the Company].

For **Bagaria & Co. LLP**  
Chartered Accountants  
Firm registration No. – 113447W/W-100019

Place: Mumbai  
Date: May 30, 2024

**Vinay Somani**  
Partner  
Membership No. 143503  
UDIN: 23143503BGWEOJ1389

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(Rs. In Crores)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant & Equipment	3	1.96	2.31
(b) Right of use assets	3.1	-	0.11
(c) Investment Property	3.2	1.58	1.62
(d) Financial Assets			
(i) Investments	4	42.07	42.07
(ii) Other Financial Assets	5	88.70	80.19
(e) Other Non-Current Assets	6	37.75	36.99
<b>Total Non Current Assets</b>		<b>172.06</b>	<b>163.29</b>
<b>Current Assets</b>			
(a) Inventories	7	-	0.01
(b) Financial Assets			
(i) Trade Receivables	8	303.09	298.97
(ii) Cash & Cash Equivalents	9	6.90	9.08
(iii) Bank Balances other than (ii) above	10	0.35	4.25
(iv) Loans	11	286.51	286.53
(v) Other Financial Assets	12	7.48	6.36
(c) Other Current Assets	13	25.11	27.27
<b>Total Current Assets</b>		<b>629.44</b>	<b>632.47</b>
<b>Total Assets</b>		<b>801.50</b>	<b>795.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	22.53	22.53
(b) Other Equity	15	(2.25)	(0.81)
<b>Total Equity</b>		<b>20.28</b>	<b>21.72</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	30.78	30.78
(ii) Other Financial Liabilities	17	86.87	75.90
(b) Provisions	18	0.61	0.41
<b>Total Non Current Liabilities</b>		<b>118.26</b>	<b>107.09</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	467.53	467.53
(ii) Trade Payables	20		
- Total outstanding dues of micro enterprises and small enterprises; and		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		75.16	75.67
(iii) Other Financial Liabilities	21	114.49	116.12
(b) Other Current Liabilities	22	5.12	7.05
(c) Provisions	23	0.66	0.58
<b>Total Current Liabilities</b>		<b>662.96</b>	<b>666.95</b>
<b>Total Equity &amp; Liabilities</b>		<b>801.50</b>	<b>795.76</b>
Significant Accounting Policies	1 & 2		
See Accompanying notes forming part of the Financial Statements	3 to 60		

In term of our Report attached

**For Bagaria & Co. LLP**

Chartered Accountants

FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited****Anurag Kumar Sinha**

Resolution Professional

IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**

Partner

Membership No. 143503

**Tarun Dutta**

Chief Executive Officer

Place : Mumbai.

Date : 30th May, 2024

**Vijay Kumar H. Modi**

Company Secretary &amp; Legal

M.No. FCS 1831

**Anil S. Korpe**

Chief Financial Officer

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(Rs. In Crores)

Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Income</b>			
Revenue from Operations	24	57.01	90.07
Other Income	25	1.61	3.61
<b>Total Income</b>		<b>58.62</b>	<b>93.68</b>
<b>EXPENSES</b>			
Construction Expenses	26	53.05	101.27
Changes in Inventories	27	0.01	0.02
Employee Benefit Expenses	28	3.67	5.41
Finance Cost	29	0.19	0.19
Depreciation and Amortization Expenses	3	0.50	0.54
Other Expenses	30	2.70	3.90
<b>Total Expenses</b>		<b>60.12</b>	<b>111.33</b>
<b>Profit/ (Loss) Before Exceptional Items and Tax</b>		<b>(1.50)</b>	<b>(17.65)</b>
Exceptional Items (Net)		-	-
<b>Profit/ (loss) Before Tax</b>		<b>(1.50)</b>	<b>(17.65)</b>
<b>Tax Expenses</b>			
Current Tax (Including earlier year taxation)		-	-
<b>Profit/ (Loss) for the year</b>		<b>(1.50)</b>	<b>(17.65)</b>
<b>Other Comprehensive Income / (Loss)</b>			
A. (i) Items that will not be reclassified to profit or loss			
(a) Fair Value of Financial Instruments		-	-
(b) Re-measurement of gain/(loss) of investment/advances in foreign subsidiary		-	-
(c) Re-measurement of defined benefit plans		0.06	(0.01)
(ii) Income tax relating to items that will not be classified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss			
(a) Re-measurement of gain/(loss) of investment/advances in foreign subsidiary		-	-
(ii) Income tax relating to items that will be classified to profit or loss		-	-
<b>Other Comprehensive Income / (Loss) for the year</b>		<b>0.06</b>	<b>(0.01)</b>
<b>Total Comprehensive Income for the year</b>		<b>(1.44)</b>	<b>(17.66)</b>
<b>Earnings per Equity Share of Face Value of Rs. 10 each</b>			
Basic and Diluted	32	(0.67)	(7.83)
Significant Accounting Policies	1 & 2		
See Accompanying notes forming part of the Financial Statements	3 to 60		

In term of our Report attached

**For Bagaria & Co. LLP**

Chartered Accountants

FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited****Anurag Kumar Sinha**

Resolution Professional

IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**

Partner

Membership No. 143503

**Tarun Dutta**

Chief Executive Officer

Place : Mumbai.

Date : 30th May, 2024

**Vijay Kumar H. Modi**

Company Secretary &amp; Legal

M.No. FCS 1831

**Anil S. Korpé**

Chief Financial Officer

## Standalone Statement of Cash Flow for the year ended March 31, 2024

Particulars	(Rupees in Crores)	
	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A. Cash flow from Operating activities</b>		
Profit Before Tax	(1.50)	(17.65)
<b>Add / (Deduct) Adjustment for :</b>		
Depreciation and Amortization Expense	0.50	0.54
Finance Cost	0.19	0.19
Interest Income	(1.50)	(1.63)
Re-measurement of defined benefit plans	0.06	(0.01)
Rental Income from Investment Properties	-	(0.40)
<b>Operating Profit/ (Loss) before Working Capital changes</b>	<b>(2.25)</b>	<b>(18.96)</b>
<b>Changes in Working Capital:</b>		
<b>Adjustment for (increase) / decrease in operating assets:</b>		
Decrease in Inventories	0.01	0.03
(Increase)/ Decrease in Trade Receivable	(4.12)	6.27
(Increase) / Decrease in Loans	0.01	0.08
(Increase)/ Decrease in other current assets and non-current financial assets	(3.57)	(2.26)
<b>Adjustment for (increase) / decrease in operating liabilities:</b>		
Increase/ (Decrease) in Trade Payables	(0.52)	1.30
Increase/(Decrease) in other current and financial liabilities (non-current)	7.42	7.33
Increase/ (Decrease) in Provisions	0.28	0.09
<b>Cash Generated From / (used in) Operations</b>	<b>(2.74)</b>	<b>(6.12)</b>
Direct Taxes (Paid)	(0.76)	7.99
<b>Net Cash Flow from operating activities (A)</b>	<b>(3.50)</b>	<b>1.87</b>
<b>B. Cash Flow from investing activities</b>		
Capital Expenditure for Property, Plant and Equipments, Right of use assets, Investments Property, Intangible Assets including CWIP	0.01	(0.20)
Interest received	1.50	1.63
Rental Income from investment property	-	0.40
<b>Net Cash flow from investing activities (B)</b>	<b>1.51</b>	<b>1.83</b>
<b>C. Cash flow from financing activities</b>		
Net increase / (Decrease) in Working Capital borrowings	-	(0.03)
Finance Cost	(0.19)	(0.19)
<b>Net Cash flow used in financing activities (C )</b>	<b>(0.19)</b>	<b>(0.22)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(2.18)</b>	<b>3.48</b>
Cash and Cash Equivalent at the beginning of the period	9.08	5.60
<b>Cash and Cash Equivalent at the end of the period</b>	<b>6.90</b>	<b>9.08</b>
<b>Note: Figures in brackets represents cash outflow</b>		
Significant Accounting Policies	1 & 2	
See accompanying notes forming part of the Financial Statements	3 to 60	

In term of our Report attached  
**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Anurag Kumar Sinha**  
Resolution Professional  
IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**  
Partner  
Membership No. 143503

**Tarun Dutta**  
Chief Executive Officer

Place : Mumbai.  
Date : 30th May, 2024

**Vijay Kumar H. Modi**  
Company Secretary & Legal  
M.No. FCS 1831

**Anil S. Korpe**  
Chief Financial Officer

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**

(Rs. In Crores)

A. Equity Share Capital	Nos. of Shares	Amount
<b>Balance as at April 1, 2022</b>	2,25,30,025	22.53
Add: Equity Shares allotted during the year	-	-
<b>Balance as at March 31, 2023</b>	2,25,30,025	22.53
Add: Equity Shares allotted during the year	-	-
<b>Balance as at March 31, 2024</b>	2,25,30,025	22.53

B. Other Equity	Reserve & Surplus				Item of other Comprehensive Income / (Loss)			Total
	Securities Premium	General Reserve	Surplus / (Deficit) in Statement of Profit and Loss	Revaluation Reserve	Re-measurement of defined benefit plans	Re-measurement of gain/(loss) of investment/ advances in foreign subsidiary	Other Items of other comprehensive Income	
<b>Balance as at April 1, 2022</b>	111.24	43.90	(136.99)	-	0.02	3.32	(4.64)	16.85
Other comprehensive Income / (loss) for the year, net of tax	-	-	-	-	(0.01)	-	-	(0.01)
Profit/ (Loss) for the year	-	-	(17.65)	-	-	-	-	(17.65)
<b>Balance as at March 31, 2023</b>	111.24	43.90	(154.64)	-	0.01	3.32	(4.64)	(0.81)
Other comprehensive Income / (loss) for the year, net of tax	-	-	-	-	0.06	-	-	0.06
Profit/ (Loss) for the year	-	-	(1.50)	-	-	-	-	(1.50)
<b>Balance as at March 31, 2024</b>	111.24	43.90	(156.14)	-	0.07	3.32	(4.64)	(2.25)

See Accompanying notes forming part of the Financial Statements

In term of our Report attached  
**For Bagaria & Co. LLP**  
 Chartered Accountants  
 FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Anurag Kumar Sinha**  
 Resolution Professional  
 IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**  
 Partner  
 Membership No. 143503

**Tarun Dutta**  
 Chief Executive Officer

Place : Mumbai.  
 Date : 30th May, 2024

**Vijay Kumar H. Modi**  
 Company Secretary & Legal  
 M.No. FCS 1831

**Anil S. Korpe**  
 Chief Financial Officer

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

### 1 Corporate Information

Valecha Engineering Limited ("the Company") is a public limited company incorporated and domiciled in India. The Company is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The address of its registered office is Valecha Chambers, 4th floor, Andheri New Link Road, Andheri (W), Mumbai - 400 053.

The Company is engaged in Construction of high end infrastructural engineering projects such as irrigation dams, roads, bridges, highways, power projects, railways, tunnels, airports, reservoirs, etc. The Company has created some of the most prominent civil engineering infrastructure landmarks.

### 2 Significant accounting policies

#### 2.1 Statement of compliance

The financial statements complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

#### 2.2 Basis of preparation and presentation

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.2.1 Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

##### 2.2.2 Current & Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

The Company's financial statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest crore (₹ 0,000,000) in two decimals except when otherwise indicated.

#### 2.3 Use of Estimates

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known /materialise.

#### 2.4 Inventories

The inventories of materials on hand at the end of the year are valued at lower of cost or net realisable value. The cost is being determined on First-In-First out method. Cost of work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads.

#### 2.5 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.6 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

#### 2.7 Revenue recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards

complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. The Company recognizes revenue and profit/loss on the basis of stage of completion achieved under each contract. The recognition of revenue and profit/loss therefore rely on degree of completion achieved under each contract.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred.

Contracts executed in Joint Ventures / Consortium under work sharing arrangement are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed. In case where the contracts are executed independently by the Joint Ventures the share of profit / (Loss) is recognized as an income / (Loss) in the Books of account of the Company in the year in which the relative contract/s is/are completed / Income received.

Revenue is disclosed net of Goods and Service Tax (GST) as applicable.

#### **Other Income**

Interest Income is recognised on the basis of effective interest method as set out in IND AS 109 on Financial Instruments and where no significant uncertainty as to measurability or collectability exists.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

## **2.8 Employee Benefit**

### **2.8.1 Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **2.8.2 Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### **2.8.3 Post-employment obligations**

#### **(i) Defined benefit provident fund plan**

The Company's contribution to provident fund is charged to Statement of Profit and Loss.

#### **(ii) Defined benefit Gratuity fund plan**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

The Company does not have scheme of leave encashment.

## **2.9 Taxation**

### **2.9.1** The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

## 2.9.2 Current Tax

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 2.9.3 Deferred Tax

Deferred Tax charge or credit is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## 2.9.4 Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

## 2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### 2.10.1 Financial Assets

#### (i) Classification of Financial Assets

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Measurement of Financial Assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### 2.10.1. a Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.



Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

#### 2.10.1.b *Equity instruments*

The Company subsequently measures all equity investments at fair value (except investment in subsidiaries and associates which are valued at amortised cost). Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 2.10.1.c *Fair Value Hedge*

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised in statement of profit and loss.

#### (iii) *Impairment of financial assets*

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

#### (iv) *Derecognition of financial assets*

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### 2.10.2 *Financial Liabilities*

##### (i) *Measurement*

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

##### (ii) *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- 2.10.3 (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## 2.11 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

## 2.12 Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

Free-hold land is carried at cost. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any, such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is charged to profit and loss account. If at the balance Sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

### Depreciation and amortisation

Depreciation on Fixed Assets is calculated on "Straight Line Method" over the estimated useful life in the manner prescribed in Schedule II of the Companies Act, 2013.w.e.f. 01.04.2014. Depreciation on Revalued Assets, is calculated on their respective book values, at the rates considered applicable by the valuers.

Free hold land is not depreciated. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

## 2.13 Foreign currency transactions

Transactions in foreign currency are recorded at the rate of exchange in force at the time transactions are affected. Exchange differences arising on settlement of these transactions are recognized in the Statement of Profit and Loss.

Monetary items (other than those related to acquisition of fixed assets) denominated in foreign currency are revalued using the exchange rate prevailing at date of the Balance Sheet and resulting exchange difference is recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

## 2.14 Investment Property

Property that is held for rental or Capital appreciation and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

## 2.15 Intangible assets

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.

### Amortisation on Intangible asset

Amortisation on intangible Assets is calculated on "Straight Line Method" over the period of useful life of asset as technically evaluated by the management.

## 2.16 Earnings per share

### 2.16.1 Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### 2.16.2 Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## 2.17 Impairment of Assets :

The carrying amounts of all assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An assets is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## 2.18 Provisions, contingent liabilities and contingent assets

### **Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### **Contingent liabilities**

Contingent Liabilities are not recognized but disclosed in notes forming part of the financial statements.

### **Contingent Assets**

Contingent Assets are disclosed, where an inflow of economic benefits is probable. Contingent assets are neither recognised nor recorded in financial statements.

## 2.19 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

## 2.20 Leases

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019.

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made. Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the

lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

### 2.21 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss except when they relate to items that are recognised in other comprehensive income or directly in equity, in such case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### 2.22 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

### 2.23 Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(a) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(b) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

(c) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(e) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

3 Property, Plant & Equipment

Gross Block

	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 1, 2022</b>	<b>1.62</b>	<b>2.45</b>	<b>0.13</b>	<b>1.70</b>	<b>5.91</b>
Additions	-	0.00	0.02	-	0.02
Disposal / Adjustments	-	-	-	0.34	0.34
<b>Balance as at March 31, 2023</b>	<b>1.62</b>	<b>2.45</b>	<b>0.15</b>	<b>1.36</b>	<b>5.59</b>
Additions	-	-	-	-	-
Disposal / Adjustments	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>1.62</b>	<b>2.45</b>	<b>0.15</b>	<b>1.36</b>	<b>5.59</b>

Accumulated Depreciation

	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 1, 2022</b>	<b>0.44</b>	<b>1.35</b>	<b>0.10</b>	<b>1.35</b>	<b>3.23</b>
Depreciation / Amortization	0.03	0.26	0.02	0.07	0.39
Disposal / Adjustments	-	-	-	0.34	0.34
<b>Balance as at March 31, 2023</b>	<b>0.46</b>	<b>1.61</b>	<b>0.12</b>	<b>1.08</b>	<b>3.27</b>
Depreciation / Amortization	0.03	0.26	0.02	0.06	0.36
Disposal / Adjustments	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>0.49</b>	<b>1.87</b>	<b>0.14</b>	<b>1.13</b>	<b>3.63</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1.13</b>	<b>0.58</b>	<b>0.01</b>	<b>0.23</b>	<b>1.96</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>1.16</b>	<b>0.84</b>	<b>0.03</b>	<b>0.29</b>	<b>2.31</b>

3.1 Right of use assets

Gross Block

	Right of use assets	Total
<b>Balance as at April 1, 2022</b>	<b>0.31</b>	<b>0.31</b>
Additions	0.18	0.18
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>0.49</b>	<b>0.49</b>
Additions	0.16	0.16
Disposal / Adjustments	0.64	0.64
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>

Accumulated Depreciation

	Building	Total
<b>Balance as at April 1, 2022</b>	<b>0.26</b>	<b>0.26</b>
Depreciation	0.12	0.12
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>0.37</b>	<b>0.37</b>
Depreciation	0.10	0.10
Disposal / Adjustments	0.48	0.48
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>0.11</b>	<b>0.11</b>

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

## 3.2 Investment Property

## Gross Block

	Buildings	Total
<b>Balance as at April 1, 2022</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2024 *</b>	<b>2.54</b>	<b>2.54</b>

## Accumulated Depreciation

	Building	Total
<b>Balance as at April 1, 2022</b>	<b>0.88</b>	<b>0.88</b>
Depreciation	0.04	0.04
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>0.92</b>	<b>0.92</b>
Depreciation	0.04	0.04
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2024</b>	<b>0.96</b>	<b>0.96</b>
<b>Net carrying amount as at March 31, 2024 *</b>	<b>1.58</b>	<b>1.58</b>
<b>Net carrying amount as at March 31, 2023 *</b>	<b>1.62</b>	<b>1.62</b>

\* Includes property situated at Keshava, BKC, Mumbai.

Disclosure pursuant to Ind AS 40 "Investment Property"

## (i) Amount recognised in the statement of profit and loss for Investment Properties

	Particulars	As at 31-Mar-2024	As at 31-Mar-2023
1	Rental Income	-	0.40
2	Direct operating expenses from property that generate rental income.	0.04	0.04
3	Direct operating expenses from property that did not generate rental income.	0.04	0.04
4	The company is using same life for the same class of asset as applicable for property plant and equipment.		

## (ii) Details with respect to fair valuation of Investment property :

Fair valuation is based on internal assessment by management based on Government rates, Market trend and previous valuation report Rs.22.14 Crores (Rs.22.14 crores for March 31, 2023)

## 4 Investments

	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Unquoted &amp; Fully Paid Equity Instruments</b>				
<b>i) In Subsidiary Companies - Wholly Owned - At Cost</b>				
Valecha Infrastructure Ltd (Fully paid Equity Share Face Value ₹ 10/- each)	50,000	0.05	50,000	0.05
Valecha International (FZE) - (Fully paid Equity Share Face Value Dh 1,50,000 each)	1	0.31	1	0.31
Professional Realtors Pvt. Ltd. (Fully paid Equity Share Face Value ₹10/- each)	10,000	1.80	10,000	1.80
		<b>2.16</b>		<b>2.16</b>

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024**

(Rs. In Crores)

	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>ii) In Subsidiary Companies - Others - At Cost</b>				
Valecha Kachchh Toll Roads Ltd. (Fully paid Equity Share Face Value ₹10/- each)	3,98,35,000	39.84	3,98,35,000	39.84
Valecha Reality Ltd (Face Value ₹10/- each)	24,950	0.02	24,950	0.02
		<b>39.86</b>		<b>39.86</b>
<b>iii) In Associate Company - At Cost</b>				
Aryavrat Tollways Pvt. Ltd. - Voting Shares (Face Value ₹10/- each)	4,900	0.01	4,900	0.01
Aryavrat Tollways Pvt. Ltd. - Non-Voting Shares (Face Value ₹ 10/- each)	44,100	0.04	44,100	0.04
Less:- Provision for Diminution in the value of Investment	-	(0.05)	-	(0.05)
		-		-
<b>iv) In Others (at FVTOCI)</b>				
The Saraswat Co-op. Bank Ltd. (Face Value ₹10/- each)	2,500	-	2,500	-
The Janakalyan Sahakari Bank Ltd. (Face Value ₹10/- each)	50,000	0.05	50,000	0.05
The Janta Sahakari Bank Ltd (Face Value ₹10/- each)	100	-	100	-
Valecha Chambers Condominium (Face Value ₹ 100/- each)	37	-	37	-
Varun Cements Ltd. (Face Value ₹ 10/- each)	42,800	-	42,800	-
		<b>0.05</b>		<b>0.05</b>
<b>Total</b>		<b>42.07</b>		<b>42.07</b>
Aggregate amount of unquoted investments		42.07		42.07

**5 Other Non Current Financial Assets**

	As at	As at
	March 31, 2024	March 31, 2023
	Amount	Amount
Unsecured, Considered good unless otherwise stated		
Security Deposits	0.19	0.19
Retention	44.04	35.54
Advance to suppliers	26.17	26.16
Others	18.30	18.30
<b>Total</b>	<b>88.70</b>	<b>80.19</b>

**6 Other Non Current Assets**

	As at	As at
	March 31, 2024	March 31, 2023
Advance Income Tax (net of provisions)	6.40	5.64
Balance with Government Authorities	31.35	31.35
<b>Total</b>	<b>37.75</b>	<b>36.99</b>

**7 Inventories**

	As at	As at
	March 31, 2024	March 31, 2023
<b>(As taken, valued &amp; certified by Management)</b>		
Stock of Materials	-	0.01
<b>Total</b>	<b>-</b>	<b>0.01</b>

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

## 8 Trade Receivables\*

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Considered Good	303.09	298.97
Considered Doubtful	-	-
	303.09	298.97
Less: Allowance for Expected Credit Loss	-	-
<b>Total</b>	<b>303.09</b>	<b>298.97</b>
* Refer note no. 8.1 for ageing schedule		
* Refer note no. 40.2 for credit risk		

## 9 Cash and Cash Equivalents

	As at March 31, 2024	As at March 31, 2023
Cash on Hand	#	#
Balances with Banks		
- In Current Accounts	6.90	9.08
<b>Total</b>	<b>6.90</b>	<b>9.08</b>

#Rs.6,218/- (Previous year Rs. 7,257/-)

## 10 Other Bank Balances

	As at March 31, 2024	As at March 31, 2023
Earmarked Balances with Banks		
- Unpaid Dividend Accounts	0.01	0.01
- Margin Money Deposits	0.34	4.24
<b>Total</b>	<b>0.35</b>	<b>4.25</b>

## 11 Loans (Current)

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Loans to Subsidiary Companies	253.91	253.92
Loans to Related Parties	6.50	6.50
Loans and Advances to Employees	0.36	0.38
Other Loans and advances	25.74	25.73
<b>Total</b>	<b>286.51</b>	<b>286.53</b>

## 12 Other Current Financial Assets

	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Interest Accrued on Fixed Deposits	7.20	6.08
Other Receivables	0.28	0.28
<b>Total</b>	<b>7.48</b>	<b>6.36</b>



**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024**

(Rs. In Crores)

**13 Other Current Assets**

	As at March 31, 2024		As at March 31, 2023	
Balance with GST Authorities		6.85		6.65
Unbilled Revenue	23.73		14.38	
Less: Advance received from customer	13.46	10.27	-	14.38
Advance to suppliers		7.70		6.00
Others		0.29		0.24
<b>Total</b>		<b>25.11</b>		<b>27.27</b>

**14 Share Capital**

	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised:</b>				
Equity Shares of Rs. 10/- each	3,50,00,000	35.00	3,50,00,000.00	35.00
<b>Issued, Subscribed &amp; paid up:</b>				
Equity Shares of Rs. 10/- each	2,25,30,025	22.53	2,25,30,025.00	22.53

**14.1 Reconciliations of the number of equity shares and amount outstanding at beginning and end of the year**

	Number of Shares	Amount	Number of Shares	Amount
Balance at beginning of the year	2,25,30,025	22.53	2,25,30,025.00	22.53
Add: Equity Shares allotted	-	-	-	-
Balance at the end of the year	2,25,30,025	22.53	2,25,30,025.00	22.53

**14.2 Right, Preferences and restrictions attached to shares :**

The Company has only one class of Equity Shares having a par value of ₹10/- per share. Each share holder is entitle for one vote per share. In the event of liquidation, the equity share holders are entitle to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

**14.3 Details of shares held by each shareholders holding more than 5% shares**

	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% holding	Number of Shares	% holding
Valecha Investment Pvt. Ltd.	40,03,745	17.77	40,03,745.00	17.77
Suman Aggarwal	29,28,504	13.00	29,28,504.00	13.00
Hypnos Fund Limited	20,00,000	8.88	20,00,000.00	8.88

**14.4 Shares held by promoters as defined in the Companies Act, 2013 at the end of the year:**

Sr No.	Promoter Name	As at 31.03.2024		As at 31.03.2023		% change during the year
		No of shares	% of Holding	No of shares	% of Holding	
1	Dinesh Valecha	2,812	0.0125	2,812	0.0125	0.00%
2	Umesh Hariram Valecha	2,587	0.0115	2,587	0.0115	0.00%
3	Jagdish K Valecha	-	-	-	-	0.00%
4	Ramchand Hemandas Valecha	21,481	0.0954	21,481	0.0954	0.00%
5	Sharda Hariram Valecha	10,125	0.0449	10,125	0.0449	0.00%
6	Vasudev Pyarelal Valecha	9,112	0.0404	9,112	0.0404	0.00%
7	Pavitra Ramchandra Valecha	7,169	0.0318	7,169	0.0318	0.00%
8	Lata Vasudev Valecha	6,199	0.0275	6,199	0.0275	0.00%
9	Dinesh H Valecha - Karta For Hariram Pyarelal Valecha (HUF).	4,500	0.02	4,500	0.02	0.00%
10	Bhavana Ramchand Valecha	3,375	0.015	3,375	0.015	0.00%
11	Kavita Vasudev Valecha	2,862	0.0127	2,862	0.0127	0.00%
12	Alka Vasudev Valecha	1,948	0.0086	1,948	0.0086	0.00%
13	Geeta Dinesh Valecha	337	0.0015	337	0.0015	0.00%

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

Sr No.	Promoter Name	As at 31.03.2024		As at 31.03.2023		% change during the year
		No of shares	% of Holding	No of shares	% of Holding	
14	Geeta Prakash Valecha	-	-	-	-	0.00%
15	Valecha Investment Private Ltd.	40,03,745	17.7707	40,03,745	17.7707	0.00%
16	Gopaldas Vasudev Construction Pvt.Ltd.	424	0	424	0	0.00%
	<b>Total</b>	<b>40,76,676</b>	<b>18.0925</b>	<b>40,76,676</b>	<b>18.0925</b>	<b>0.00%</b>

## 15 Other Equity

(Rs. In Crores)

	As at March 31, 2024	As at March 31, 2023
15.1 Securities Premium	111.24	111.24
15.2 General Reserve	43.90	43.90
15.3 Retained Earnings	(156.14)	(154.64)
15.4 OCI - Fair Value of Financial Instruments	(4.64)	(4.64)
15.5 OCI - Re-measurement of defined benefit plans	0.07	0.01
15.6 Re-measurement of gain/(loss) of investment/advances in foreign subsidiary	3.32	3.32
<b>Total</b>	<b>(2.25)</b>	<b>(0.81)</b>

## Nature of Reserves

## (i) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

## (ii) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

## (iii) OCI - Fair Value of Financial Instrument

The company recognised resultant impact of fair valuation on financial assets and liabilities.

## 16 Non Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Related Parties	27.78	27.78
Others *	3.00	3.00
<b>Total</b>	<b>30.78</b>	<b>30.78</b>

\*(From erstwhile Directors and relatives of Directors)

## 17 Other Non Current Financial Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Contractees - Related Parties	41.04	41.04
Amount Withheld and Retention from sub-contractors	45.68	34.71
Security Deposits	0.15	0.15
	<b>86.87</b>	<b>75.90</b>

## 18 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
-Provision for Gratuity (Refer note 37B)	0.61	0.41
	<b>0.61</b>	<b>0.41</b>

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024**

(Rs. In Crores)

**19 Current Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>- From Banks</b>		
Working Capital Loans - Cash Credit Limits**	242.35	242.35
Short Term Facilities	54.53	54.53
Current maturities of Long Term Borrowings (Refer note 19.1, 19.2)	130.65	130.65
<b>Unsecured</b>		-
<b>- From Others</b>		-
Short Term Loans	17.06	17.06
Current Maturities of Fixed Deposits (Refer note 19.2)	22.94	22.94
<b>Total</b>	<b>467.53</b>	<b>467.53</b>

**\*\*Note :**

1. Secured by

**Primary Security:** Pari passu charge on stock and outstanding book debts of the company

**Collateral Security:** Equitable Mortgage on office premises at 4th Floor and part of 3rd floor of Valecha chambers, New Link Road, Oshiwara, Andheri West.

Paripassu charge on entire plant and machinery of the Company

Personal guarantees of Mr. J K Valecha, Mr. D H Valecha and Mr. U H Valecha

2. The amount is after considering the repayment on account of One Time Settlement (OTS) of Rs.3.75 Crores (Previous year Rs.3.75 Crores)

**19.1 The Company has defaulted in repayment of working capital facilities in respect of the following :**

Particulars	Period of Default	Amount of Default (As at March31, 2024)		
		Principal	Interest	Total
<b>Working Capital Facilities</b>				
State Bank of India	2923 Days	193.69	42.08	235.77
Axis Bank Ltd	2932 Days	72.54	20.83	93.37
Canara Bank	3092 Days	21.16	1.93	23.09
DBS Bank India Ltd	2282 Days	26.55	0.00	26.55
<b>Total</b>		313.94	64.84	378.78

Working capital loans are secured by hypothecation of book debts, current assets, unencumbered plant & machinery and specific immovable properties as per the sanction terms.

Short Term Facilities from Banks are secured against the securities offered under the working capital loans.

**19.2 The Company has defaulted in repayment of loans and interest in respect of the following**

Particulars	Period of Default	Amount of Default (As at March31, 2024)		
		Principal	Interest	Total
<b>Term Loan</b>				
Central Bank of India	3105 Days	35.98	13.04	49.02
Syndicate Bank	3012 Days	58.17	19.71	77.88
Yes Bank	2494 Days	6.90	1.65	8.55
State Bank of Bikaner & Jaipur (SBI)	2921 Days	12.08	3.47	15.55
<b>Machinery Loan</b>				
SREI Equipment Finance Ltd	2556 Days	17.52	10.28	27.80
<b>Fixed Deposits from Public</b>	3499 Days	22.94	-	22.94
<b>Total</b>		153.59	48.15	201.74

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

20 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Dues to Micro, Small and Medium Enterprises	-	-
Dues to Creditors other than Micro, Small and Medium Enterprises	75.16	75.67
<b>Total</b>	<b>75.16</b>	<b>75.67</b>

\* Refer note no. 20.3 for ageing schedule

20.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under :

Particulars	As at March 31, 2024	As at March 31, 2023
a. Principal amount remaining unpaid	-	-
b. Interest due thereon remaining unpaid	-	-
c. Interest paid	-	-
d. Payment made beyond the appointed day during the year	-	-
e. Interest due and payable for the period of delay	-	-
f. Interest accrued and remaining unpaid	-	-
g. Amount of further interest remaining due and payable in succeeding years	-	-
	-	-

20.2 The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given subject to amount mentioned in above table.

20.3 Current liabilities: Trade payables ageing

Particulars	As at 31-3-2024				Total
	Outstanding for the following periods from the date of the transaction				
	Less than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
<b>Undisputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	13.33	2.32	10.47	49.05	75.16
<b>Disputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>13.33</b>	<b>2.32</b>	<b>10.47</b>	<b>49.05</b>	<b>75.16</b>

Particulars	As at 31-3-2023				Total
	Outstanding for the following periods from the date of the transaction				
	Less than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
<b>Undisputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	15.32	14.16	24.93	21.26	75.67
<b>Disputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>15.32</b>	<b>14.16</b>	<b>24.93</b>	<b>21.26</b>	<b>75.67</b>

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024**

(Rs. In Crores)

**21 Other Current Financial Liabilities**

	As at March 31, 2024	As at March 31, 2023
Current Maturities of lease liabilities	-	0.13
Interest Accrued and Due on Borrowings (Refer note 19.1 and 19.2)	112.99	112.99
Earnest Money Deposit from Prospective Resolution Applicants	1.50	3.00
<b>Total</b>	<b>114.49</b>	<b>116.12</b>

**22 Other Current Liabilities**

	As at March 31, 2024	As at March 31, 2023
Statutory Dues	5.12	7.05
<b>Total</b>	<b>5.12</b>	<b>7.05</b>

**23 Provisions**

	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits -Gratuity (Refer note 37B)	0.66	0.58
<b>Total</b>	<b>0.66</b>	<b>0.58</b>

**24 Revenue from Operations**

(Rs. In Crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income from Contract and Services	57.01	90.07
<b>Total</b>	<b>57.01</b>	<b>90.07</b>

**25 Other Income**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income :		
Interest on Fixed Deposits	1.45	0.68
Interest from Others	0.05	0.95
	<b>1.50</b>	<b>1.63</b>
Lease Rental Income	-	0.40
Liabilities no longer payable written written back	0.10	1.57
Excess Provision of earlier years written back	0.01	0.01
<b>Total</b>	<b>1.61</b>	<b>3.61</b>

**26 Construction Expenses**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Materials Purchase	-	0.06
Sub-Contracting Expenses	52.86	97.77
Power and Fuel	0.01	0.19
Repairs, Maintenances to Plant & Machineries and Vehicles	-	0.02
Machinery Hire Charges	0.01	0.31
Site Expenses	0.17	2.92
<b>Total</b>	<b>53.05</b>	<b>101.27</b>

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

## 27 Changes in Inventories

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stock	0.01	0.03
Less: Closing Stock	-	0.01
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

## 28 Employee Benefits Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Wages *	3.00	4.95
Contribution to Provident and other funds	0.49	0.34
Staff Welfare Expenses	0.18	0.12
*(Net of recoveries of Project Managers' salaries from payments to Sub-Contractors Rs.0.83 Cr (Previous Year Rs. Nil) )		
<b>Total</b>	<b>3.67</b>	<b>5.41</b>

## 29 Finance Cost

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses		
-Banks	0.01	-
-Others	-	0.05
Interest Component of Lease Liability	0.01	0.02
Interest cost on security deposits	-	0.06
Other Borrowing Cost	0.17	0.06
<b>Total</b>	<b>0.19</b>	<b>0.19</b>

## 30 Other Expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rates and taxes	0.16	0.51
Printing and stationery	0.02	0.03
Telephone and Postage	0.06	0.07
Traveling and conveyance	0.06	0.47
Electricity charges	0.08	0.08
Professional Fees	1.75	1.92
Repairs and Maintenance - Buildings	0.18	0.18
Repairs and Maintenance - Plant and Machinery	0.02	0.03
Repairs and Maintenance - Others	0.12	0.20
Bank charges	0.01	#
Payments to Auditor (Refer note below)	0.12	0.12
Miscellaneous Expenses	0.12	0.29
<b>Total</b>	<b>2.70</b>	<b>3.90</b>

# Rs.17,596/-

## 30.1 Auditors Remunerations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	0.11	0.11
Tax Audit Fees	0.01	-
Certification and Other Services	-	0.01
<b>Total</b>	<b>0.12</b>	<b>0.12</b>

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

**31 Earnings per Share**

Particulars	2023-24	2022-23
Profit attributable to Equity Shareholders (Rs. in crores)	(1.50)	(17.65)
Weighted average Number of shares for Basic EPS (Numbers)	2,25,30,025	2,25,30,025
Weighted average Number of shares for Diluted EPS (Numbers)	2,25,30,025	2,25,30,025
Face Value of each Equity Share (in Rs.)	10.00	10.00
Basic & Diluted earning per Share (in Rs.)	(0.67)	(7.83)

\*The Company has no dilutive instruments. As such Diluted Earnings per share equals to Basic Earnings per share.

**32 Contingent Liabilities**

Contingent Liabilities are not provided for and are as below :

Particulars	2023-24	2022-23
1 Outstanding Bank Guarantees	-	15.90
2 Corporate Guarantees	1,420.65	1,420.65
3 Late payment and over limit charges on credit card dues	5.89	5.89
4 Other matter not acknowledged as debt		
- Income Tax	125.93	123.93
- Goods and Services Tax	25.66	10.84

**33 Segment Reporting**

The company operates in a single reportable segment i.e. Construction Activity, which have similar risks and returns for the purpose of Ind AS 108 on 'Operating segments'.

The company operates in a single geographical segment i.e. domestic.

**34 CSR Expenditure**

Corporate Social Responsibility (CSR) - In view of losses during the year and insufficient profits in the previous year, expenditure on CSR is not applicable for current and previous financial year.

**35 Related Party Disclosures**

Disclosure as required by the Indian Accounting Standard (Ind AS)24 " Related Party Disclosures " are given below :

**List of Related Parties with whom transactions have taken place**

Relationship	Name of Related Parties
<b>Subsidiary Companies</b>	Valecha Infrastructure Ltd.
	Valecha International (FZE)
	Professional Realtors Pvt. Ltd.
	Valecha Kachchh Toll Roads Ltd.
	Valecha Reality Ltd.
<b>Step-Down Subsidiary Companies</b>	Valecha Badwani Sendhawa Toll Ways Ltd.
<b>Associate Companies</b>	Aryavrat Tollways Pvt. Ltd.
<b>Enterprises where KMPs have significant influence</b>	Gopaldas Vasudev Construction Pvt. Ltd.
	Valecha Power Ltd.
	Kavi Engineers and Consultants
<b>Enterprises having significant influence over the Company</b>	Valecha Investment Private Limited
<b>Joint Ventures</b>	Valecha - Transtonnelstroy (JV)
	Valecha - VKJ (JV)
	Valecha - SDPL JV
	Valecha Shradha (JV)
	Valecha - CSR (JV)
	Valecha - TTC (JV)

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

Relationship	Name of Related Parties
<b>Key Managerial Personnel (KMP)</b>	
Independent Director (up to 19-07-2023)	S N Kavi
Independent Director (up to 27-08-2022)	Tejas Deshpande
Independent Director (up to 30-09-2023)	Achal Kapoor
Independent Director (up to 30-09-2023)	Bharti Ranga
Independent Director (up to 30-09-2023)	Chetna Verma
Independent Director (up to 14-12-2023)	Swati Jain
Non-Executive Director	Lalna Takekar
Chief Executive Officer	Tarun Dutta
Company Secretary & Legal	Vijay Kumar H. Modi
Chief Financial Officer	Anil S. Korpe
<b>Relatives of Key Managerial Personnel</b>	P D Deshpande

**Note:**

Related party relationship is as identified by the Company and relied upon by the Auditor.

**36 Details of Transactions with Related Parties****i. Transactions with Subsidiary Companies**

Particulars	2023-24	2022-23
a. Sales	-	-
b. Deposit / Loans / Repayment received during the year	0.13	0.26
c. Deposit / Loans given / Repaid during the year	0.12	2.33
d. Outstanding Balance - Trade Receivable	1.05	1.04
e. Outstanding Balance - Loan given	253.91	253.92
f. Outstanding Balance - Amount Payable	41.04	41.04

**ii. Transactions with Associate Companies / Enterprises over which KMPs having significant influence/Enterprises having significant influence over the Company**

Particulars	2023-24	2022-23
a. Consultancy charges paid	-	0.13
b. Deposit / Loans / Repayment received during the year/ Adjustment	0.32	13.38
c. Deposit / Loans given / Repaid during the year/ Adjustment	0.01	14.17
d. Outstanding Balance - Amount Payable	27.78	27.78
e. Outstanding Balance - Amount Receivable	7.54	7.85

**iii. Transactions with Joint Ventures**

Particulars	2023-24	2022-23
a. Sales	26.43	19.76
b. Outstanding Balance - Amount Receivables	14.08	13.10

**iv. Transactions with Relatives of Key Managerial Personnel (KMP)**

Particulars	2023-24	2022-23
Consultancy charges paid during the year	-	0.03

**v. Transactions with Key Managerial Personnel (KMP)**

Particulars	2023-24	2022-23
Remuneration paid during the year	1.59	1.89
Sitting Fees	-	0.09



Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024  
(Rs. In Crores)

Disclosure required by schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013

**A. Loans**

**i. Loans Given to Subsidiary Companies Given**

	2023-24		2022-23	
	As at year end	Maximum balance during year	As at year end	Maximum balance during year
Valecha Infrastructure Ltd.	152.36	152.37	152.37	152.40
Valecha International (FZE)	23.57	23.57	23.57	23.57
Professional Realtors Pvt. Ltd.	0.24	0.24	0.24	0.24
Valecha Kachchh Toll Roads Ltd.	73.46	73.46	73.46	73.46
Valecha Reality Ltd.	0.29	0.29	0.29	0.29
Valecha Badwani Sendhawa Toll Ways Ltd.	3.99	3.99	3.99	3.99
<b>Total</b>	<b>253.91</b>	<b>253.92</b>	<b>253.92</b>	<b>253.95</b>

**ii. Loans Given to Associate Companies / Enterprises over which KMPs having significant influence/Enterprises having significant influence over the Company**

	2023-24		2022-23	
	As at year end	Maximum balance during year	As at year end	Maximum balance during year
Valecha Investment Pvt. Ltd.	6.49	6.49	6.49	6.49
Valecha Power Ltd.	0.01	0.01	0.01	0.01
<b>Total</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>

All above loans have been given for business purpose

**B. Investments are shown under respective head. ( Refer Note no.4)**

**C. Corporate Guarantees given**

Name of the Company	2023-24	2022-23
Valecha LM Toll Pvt. Ltd.	261.14	261.14
Valecha Badwani Sendhawa Toll Ways Ltd.	31.73	31.73
Valecha Kachchh Toll Roads Ltd.	990.70	990.70
Valecha Infrastructure Ltd.	137.08	137.08
<b>Total</b>	<b>1,420.65</b>	<b>1,420.65</b>

**37 Employee Benefits**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

**A. Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	0.11	0.11
Employer's Contribution to Employee's State Insurance	0.00	0.00
Employer's Contribution to Pension Fund	0.03	0.08

**B. Defined Benefit Plan**

**Gratuity:**

In accordance with the payment of Gratuity Act 1972 the company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end.

Major category of plan assets

The group has taken plans from Life Insurance Corporation of India

The following tables set out the funded status of the gratuity plans and the amounts recognised in the Financial Statements as at 31 March 2024 and 31 March 2023.

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

Particulars		2023-24	2022-23
<b>i</b>	<b>Changes in present value of obligations</b>		
	Present value of obligations as at the beginning of year	0.99	0.95
	Interest cost	0.03	0.03
	Current Service Cost	0.04	0.06
	Past Service Cost	0.26	-
	Benefits Paid Directly by the Employer	-	(0.01)
	Benefits Paid	-	(0.05)
	Actuarial gain on obligations	(0.06)	0.01
	Present value of obligations as at the end of year	1.27	0.99
<b>ii</b>	<b>Changes in the fair value of plan assets</b>		
	Fair value of plan assets at the beginning of year	0.00	0.05
	Expected return on plan assets	-	-
	Contributions	-	-
	Benefits paid	-	(0.05)
	Return on plan Assets, Excluding interest income	-	0.00
	Fair value of plan assets at the end of year	0.00	0.00
<b>iii</b>	<b>Change in the present value of the defined benefit obligation and fair value of plan assets</b>		
	Present value of obligations as at the end of the year	(1.27)	(0.99)
	Fair value of plan assets as at the end of the year	0.00	0.00
	Net (liability) / asset recognized in balance sheet	(1.27)	(0.99)

**Amount recognised in the statement of profit and loss under employee benefit expenses.**

Particulars	2023-24	2022-23
<b>Expenses Recognised in statement of Profit &amp; Loss</b>		
Current Service cost	0.04	0.06
Interest Cost	0.03	0.03
Past Service Cost	0.26	-
Expected return on plan assets	-	-
Net Actuarial gain recognised in the year	-	-
Expenses recognised in statement of Profit & Loss Account	0.33	0.09

**Amount recognised in the statement of other comprehensive income (OCI).**

Particulars	2023-24	2022-23
<b>Actuarial Gain/Loss recognized</b>		
Actuarial (gain)/losses on obligation for the year	(0.06)	0.01
Return on Plan Asset, excluding Interest Income	-	(0.00)
Change in Asset ceiling	-	-
Net (Income)/Expense for the period recognized in OCI	(0.06)	0.01

**Principal actuarial assumptions at the Balance Sheet date**

Particulars	2023-24	2022-23
Expected Return on Plan Assets	7.19%	7.39%
Rate of discounting	7.19%	7.39%
Rate of Salary Increase	8.00%	8.00%
Rate of employee turnover	10.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Mortality Rate after employment	N.A.	N.A.

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

**38 Deferred taxes not recognised**

In absence of reasonable certainty, the Company has not recognised Deferred Tax Assets to the extent mentioned below in the table.

Particulars	As at	
	March 31, 2024	March 31, 2023
Deferred Tax Assets / (Liabilities) in relation to :		
Carried Forward Losses	18.95	17.46
Property, plant and equipment/Investment Property	1.46	1.70
<b>Total</b>	<b>20.41</b>	<b>19.16</b>

**39 Capital management**

**Risk Management**

The objectives when managing capital are to safeguard the ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The management sets the amounts of capital required in proportion to risk. The Company manages its capital structure and adjusts it in light of changes in economic conditions and risk characteristics of the underlying assets.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

Particulars	As at	
	March 31, 2024	March 31, 2023
Borrowing	611.30	611.30
Total equity	20.28	21.72
Total Capital (Borrowing and Equity)	<b>631.58</b>	<b>633.02</b>
Gearing Ratio	30.14%	28.14%

- (i) Borrowings represents total borrowings (non-current & current).
- (ii) Equity comprises of all components including other comprehensive income.

**40 Financial Risk Management**

A wide range of risks may affect the Company's business and financial results. Amongst other risks that could have significant influence on the Company are market risk, credit risk and liquidity risk.

The Board of Directors of the Company manage and review the affairs of the Company by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

**40.1 Market risk**

The Company is primarily exposed to the following market risks.

**40.1.1 Interest rate risk management**

Out of total borrowings, large portion represents current borrowings and all the borrowings are with fixed interest rate. And accordingly the Company is not exposed to interest rate risk. However, the Company continuously monitoring over all factors influence rating and also factors which influential the determination of the interest rates by the banks to minimize the interest rate risks.

**40.1.2 Price Risk**

The company is constantly exposed to market inflation risk. The price of direct cost and overhead projected before execution of project are substainally increased till the completion of project. However company is eligible to claim price escalation amount from the client as per the terms and condition mentioned in tender document which varies for tender to tender.

**40.2 Credit management**

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Company has a low credit risk in respect of its trade receivables, its major customers being autonomous agencies of Government and Public Sector Undertakings. However, as Company grows its customer base, it will experience an increased credit risk environment. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with major financial institutions.

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024****(Rs. In Crores)**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 693.02 crores for March 31, 2024 ( ₹ 685.38 crores for March 31, 2023) being the total of the carrying amount of the balances with banks, bank deposits, investments (excluding equity investments), trade receivables, loans given and other financial assets.

**40.3 Liquidity risk management**

Liquidity risk refers to the risk that the Company may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the Company's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The liquidity continues to remain under stress. The Company is going through a very tight liquidity situation resulting in sub-optimal level of operations thereby impacting profitability. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	2023-24			2022-23		
	Less than 1 year	Between 1 and 5 years	Total	Less than 1 year	Between 1 and 5 years	Total
a. Borrowings	580.52	30.78	611.30	580.52	30.78	611.30
b. Trade Payables	75.16	-	75.16	75.67	-	75.67
c. Other Financial Liabilities	1.50	86.87	88.37	3.13	75.90	79.03
<b>Total</b>	<b>657.18</b>	<b>117.65</b>	<b>774.83</b>	<b>659.32</b>	<b>106.68</b>	<b>766.00</b>

**40.4 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"****40.4.1 Category-wise classification for applicable financial assets:**

Particulars	Note	As at 31-Mar-24	As at 31-Mar-23
<b>Measured at fair value through Other Comprehensive Income (FVTOCI) (Level 3)</b>			
Investment in equity shares	4	0.05	0.05
<b>Measured at amortised cost: (All Level 3)</b>			
Security Deposits - Non Current	5	88.70	80.19
Security Deposits - Current	8	130.17	126.83
Loans	11	286.51	286.53
Trade receivables	8	172.92	172.14
<b>Total</b>		<b>678.35</b>	<b>665.74</b>

**40.4.2 Category-wise classification for applicable financial liabilities:**

Particulars	Note	As at 31-Mar-24	As at 31-Mar-23
<b>Measured at amortised cost: (All Level 3)</b>			
Borrowings - Non current	16	30.78	30.78
Borrowings - Current (Short Term)	19	313.94	313.94
Borrowings - Current maturities of long term borrowings & fixed deposits	19, 21	266.58	266.58
Trade payables	20	63.15	63.15
Retention money from Sub-contractors	20	12.01	12.52
<b>Measured at fair value through Other Comprehensive Income (FVTOCI)</b>		-	-
<b>Total</b>		<b>686.46</b>	<b>686.97</b>

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

41 Financial Ratios

Sr. No.	Particulars	Note reference	March 31, 2023	March 31, 2022	% Variance	Reasons of variance [If change is more than 25%]
1	Current Ratio	a	0.949	0.948	0.12%	
2	Debt – Equity Ratio	b	24.57	22.94	7.10%	
3	Debt Service Coverage Ratio	c	NA	NA	NA	Loan accounts are NPA since 2016
4	Return on Equity (ROE):	d	-7.14%	-57.77%	-87.64%	The improvement in the ratio is on account of reduction in losses during the year
5	Inventory Turnover Ratio	e	NA	NA	NA	
6	Trade receivables turnover ratio	f	0.19	0.30	-36.48%	The decrease is on account of reduction in turnover during the year
7	Trade payables turnover ratio	g	70.34%	136.88%	-48.61%	The decrease is on account of reduction in expenses due to reduction in turnover during the year
8	Net profit ratio	h	-2.63%	-19.60%	-86.57%	The improvement in the ratio is on account of reduction in losses during the year
9	Net capital turnover ratio (in times)	i	-1.68	-3.07	-45.36%	The improvement in the ratio is on account of reduction in losses during the year
10	Return on capital employed (%)	j	-0.17%	-2.21%	-92.40%	The improvement in the ratio is on account of reduction in losses during the year
11	Return on investment (ROI)	k	-7.40%	-81.26%	-90.90%	The improvement in the ratio is on account of reduction in losses during the year

Note :

- a Current ratio (in times) : Current Assets / Current liabilities
- b Debt - Equity ratio : Total Debt divided by Equity
- c Debt Service Coverage Ratio (DSCR) (no. of times) : Profit before interest, divided by Interest expense.
- d ROE : Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity
- e Inventory turnover ratio: Revenue from operations / Average Inventory
- f Trade receivable turnover ratio: Revenue from operations / Average (Trade receivable and contract assets)
- g Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables
- h Net profit margin (in %) : profit after tax / Revenue from operation
- i Net capital turnover ratio = Net Sales / Working Capital
- j ROCE : Earning before interest and taxes / Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)
- k Return on investment (ROI) : Profit after tax / Total Equity

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024****(Rs. In Crores)**

- 42** Hon'ble, NCLT, Mumbai, passed Order dated 21.10.2022 in Company Petition no. CP (IB) No.594/MB-IV/2021 filed by STATE BANK OF INDIA, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against the Company, Corporate Debtor/Respondent, for initiating Corporate Insolvency Resolution Process (CIRP).

Mr. Anurag Kumar Sinha, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IP-P00427/2017-18/10750] has been appointed as Interim Resolution Professional (Later on confirmed as Resolution Professional (RP) by CoC), to carry out the functions as mentioned under Insolvency and Bankruptcy Code, 2016

The RP filed an application bearing IA No. 5819(MB) of 2023 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan. The same is pending for approval before Hon'ble NCLT Mumbai

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon'ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Company on a going concern basis during the CIRP.

- 43** The above audited financial statements were prepared by the management of the Company and RP took the same on record basis. The Statutory Auditors have carried out the Audit of the Financial Statements for the year ended March 31, 2024 vide their report dated May 30, 2024.

- 44** With respect to the financial statements for the year ended March 31, 2024, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:

- i. The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- ii. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- iii. The RP, in audit of the financial statements and while signing this financial statements, has relied upon the assistance provided by the Key Managerial Personnel ("KMP") of the Corporate Debtor, and representations and statements made by the KMP of the Corporate Debtor, in relation to these financial statements. The financial statements of the Corporate Debtor for the year ended March 31, 2024 have been taken on record by the RP solely on the basis of and on relying the aforesaid representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein.

- 45** Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional(RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code, 2016 for initiation of CIRP.

The Company has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the account of VEL during CIRP.

The Company has also neither evaluated any impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" nor made any fair valuation as per the requirements of Ind AS 113 "Fair Value Measurements" in respect of its investment made of Rs. 39.84 crores and loan given of Rs. 73.46 crores to VKTRL, in view of reasons mentioned above.

- 46** Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by the Company has been invoked by the secured financial creditors of VLMTPL. However, the Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Company.

- 47** The Company has also not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to investments made for Rs.2.19 crores in four subsidiary companies, loans and advances given of Rs.180.45 crores to four subsidiary companies and one step-down subsidiary company.

Further Corporate Guarantees of Rs. 168.81 Crores given by the Company have also been invoked by the respective secured financial creditors of one subsidiary and one step down subsidiary. However, the Company has not made any additional provision in this regard in view of the likely resolution in CIRP of the Company.

- 48** The Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years on account of escalation and various other reasons which are under consideration and deliberation before various authorities. The Company has not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans extended to various related parties (other than subsidiaries, step down subsidiaries

## Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024

(Rs. In Crores)

and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs.33.87 crores as at March 31, 2024, in view of ongoing CIRP Proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of the Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

- 49** The Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Company continues to not recognise the interest payable on its borrowings during the current year ended March 31, 2024 in view of likely resolution in CIRP of the Company.
- The Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.
- 50** The Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Company, the Company has not provided any further interest on these outstanding overdue deposits in Prior years. The Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of submission of resolution plan and likely resolution in CIRP of the Company.
- 51** Other Non Current Assets as at March 31, 2024 includes Rs 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments.
- 52** The Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the year ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in note 48 above, balances with revenue authorities of Rs. 8.33 crores referred in note 51 above] and total liabilities of Rs. 26.70 crores as at March 31, 2024.
- 53** The Company has one in-operative and dormant Bank account for which no bank statements are available with the Company as on March 31, 2024. The Company is in the process of obtaining the statements of such inoperative and dormant bank account.
- 54** The accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations, and adjustments.
- 55** During the year ended March 31, 2024, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Company. However, the Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Company.
- 56** The accumulated losses incurred in the past years have resulted in erosion of Company's peak Net worth. However, in view of the fact that CIRP has been initiated against the Holding Company which is likely to result in resolution of the Company and since as per provisions of IBC, 2016, as the Company is to be kept as a going concern, audited financial statements are prepared assuming that it will continue as a going concern.
- 57** During the ongoing CIRP, the RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Company. However, pending receipt of final order, the Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors. Accordingly, the above audited financial statements are drawn on the basis of figures appearing in the books of accounts of the Company as on March 31, 2024.
- 58** There are various Legal cases filed by/ against the company. Since the cases are ongoing and the management believes that they have a strong case. The Company do not foresee any material impacts on the financial statement of the Company.
- 59**
- (A) No proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
  - (B) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - (C) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - (D) There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
  - (E) In the opinion of the Management, there are no transactions with companies struck off. However the Company doesnot have any documentary evidence to support this claim.
  - (F) The Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2024**

**(Rs. In Crores)**

- (G) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (H) The Company has been declared as wilful defaulter by Canara Bank in 2021 and Central Bank of India in 2019.
- 60** The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials are stated as Rs. in Crores except otherwise stated.

In term of our Report attached  
**For Bagaria & Co. LLP**  
Chartered Accountants  
FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Anurag Kumar Sinha**  
Resolution Professional  
IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**  
*Partner*  
Membership No. 143503

**Tarun Dutta**  
Chief Executive Officer

Place : Mumbai.  
Date : 30th May, 2024

**Vijay Kumar H. Modi**  
Company Secretary & Legal  
M.No. FCS 1831

**Anil S. Korpe**  
Chief Financial Officer



## ANNEXURE I

### Statement on Impact of Audit Qualifications

(For audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone)

#### Statement on Impact of Audit Qualifications for the Financial Year Ended March 31, 2024

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment ) Regulations, 2016]

I. Sr. no.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs in Crores	Adjusted Figures (audited figures after adjusting for qualifications) Rs in Crores
1	Turnover / Total Income	58.62	58.62
2	Total Expenditure	60.12	60.11
3	Exceptional Items	-	1,761.34
4	Net Profit/(loss) before OCI	(1.50)	(1,762.83)
5	Earnings Per Share- Basic	(0.67)	(782.44)
6	Total Assets	801.50	474.21
7	Total Liabilities	781.22	2,215.27
8	Net Worth	20.28	(1,741.05)
9	Any Other Financial Item		

#### II. Audit Qualification (each audit qualification separately) :

##### 1 a. Details of Audit Qualification :

- i. As explained in Note No. 45 to the Standalone Statement, Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional(RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code for initiation of CIRP.

Valecha Engineering Limited (VEL) has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the account of VEL during CIRP.

The Company has also neither evaluated any impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" nor made any fair valuation as per the requirements of Ind AS 113 "Fair Value Measurements" in respect of its Investment made of Rs. 39.84 crores and loan given of Rs. 73.46 crores to VKTRL, in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such outstanding Loans, Investments and Corporate Guarantees to VKTRL, the Net Loss of the Company would have increased by Rs. 1104.00 Crores.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification** : Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** :

The Company has not made any provision for invocation of Corporate Guarantees, impairment of investments and loans in VKTRL in view of initiation of CIRP against VKTRL and also in view of likely resolution of the Account of Valecha Engineering Limited during CIRP.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor** : NA

##### 2 a. Details of Audit Qualification :

- ii. As explained in Note No. 46 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by VEL has been invoked by the secured financial creditors of VLMTPL. However, the Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such Corporate Guarantees to VLMTPL, the Net Loss of the Company would have increased by Rs 261.14 Crores.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Holding Company.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor : N A**

**3 a. Details of Audit Qualification :**

iii. As explained in Note 47 to the Standalone Statement, the Company has not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to Investments aggregating to Rs. 2.19 crores in four subsidiary companies, Loans & advances aggregating to Rs.180.45 crores given to its four subsidiary companies and one step-down subsidiary company.

Further, Corporate Guarantees aggregating to Rs.168.81 crores to Banks on behalf of one Subsidiary company and one Step-down Subsidiary company has been invoked by the respective secured financial creditors of the above mentioned subsidiary and step down subsidiary. However, no provision has been made by the Company in this regard in view of likely resolution in CIRP of the Company.

Had the Company made provision towards impairment of such Investments, Loans and Corporate Guarantees, the Net Loss of the Company would have increased by Rs. 351.45 Crores.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Company has not made any additional provision in this regard in view of the likely resolution in CIRP of the Holding Company.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

**4 a. Details of Audit Qualification :**

iv. As explained in Note No. 48 to the Standalone Statement, the Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs. 33.87 crores as at March 31, 2024.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the standalone financial statements for the year ended March 31, 2024.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Company has not made any provision in view of ongoing CIRP proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

**5 a. Details of Audit Qualification :**

v. As explained in Note No. 49 to the Standalone Statement, the Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Company continues to not recognise the interest payable on its borrowings during the current quarter and year ended March 31, 2024 in view of likely resolution in CIRP of the Company.

The Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.

In absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the standalone financial statements for the year ended March 31, 2024, which may arise on account of non-provision of interest on loans and statutory dues as referred above.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Company has not made any provision towards interest payable on its borrowing and towards delayed payments/ non-payment of dues towards tax deducted at source in view of likely resolution in CIRP of the Holding Company.

**6 a. Details of Audit Qualification :**

vi. As explained in Note No. 50 to the Standalone Statement, the Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Company, the Company has not provided any further interest on these outstanding overdue deposits in prior years. The Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of likely resolution in CIRP of the Company.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the standalone financial statements for the year ended March 31, 2024.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of likely resolution of the Company in the CIRP period.

**7 a. Details of Audit Qualification :**

vii. As explained in Note No. 51 to the Standalone Statement, Other Non-Current Assets as at March 31, 2024 includes Rs 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on standalone financial statements for the year ended March 31, 2024.

Had the Company made provision towards such indirect taxes from Government Authorities, the Net Loss of the Company would have increased by Rs 31.35 Crores.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Company has not made any provision in view of likely resolution of the Company in the CIRP period.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

**8 a. Details of Audit Qualification :**

viii. As explained in Note No. 52 to the Standalone Statement, the Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the quarter ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in point iv above, balances with revenue authorities of Rs. 8.33 crores referred in point vii above] and total liabilities of Rs. 26.70 crores as at March 31, 2024. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on standalone financial statements for the year ended March 31, 2024 had the said units been audited by us.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Company has not made any provision in view of ongoing CIRP proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

### 9 a. Details of Audit Qualification :

- ix. As explained in Note no 53 to the Standalone Statement, the Company has one in-operative and dormant Bank accounts for which no bank statements are available with the Company. The Company is in the process of obtaining the statements of such inoperative and dormant bank accounts.

In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the standalone financial statements for the year ended March 31, 2024.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification** : Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : NA

e. **For Audit Qualification(s) where the impact is not quantified by the auditor** :

- (i) The Company is in the process of obtaining the statements of such inoperative and dormant bank account.

### 10 a. Details of Audit Qualification :

- x. As explained in Note no 54 to the Standalone Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the standalone financial statements for the year ended March 31, 2024 the amounts whereof are presently not ascertainable.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification** : Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : NA

e. **For Audit Qualification(s) where the impact is not quantified by the auditor** :

- (i) The Company has not made any provision in view of ongoing CIRP proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

### 11 a. Details of Audit Qualification :

- xi. As explained in Note no 55 to the Standalone Statement, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Company. However, the Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Company

Had the Company made provision towards Invocation of bank guarantees, the Net Loss of the Company would have increased by Rs 13.40 Crores.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification** : First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** :

The Company has not provided for such invocation of bank guarantees in view of likely resolution of the Company in CIRP period.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor** : NA

### 12 a. Details of Audit Qualification :

- xii. As explained in Note no 57 to the Standalone Statement, RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Company. However, pending receipt of final order, the Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors.

In absence of receipt of the final order, we are unable to comment upon the resultant impact, if any, on the standalone financial statements for the year ended March 31, 2024, which may arise on account of giving the order effect towards the reconciliations/adjustments in the books of accounts.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification** : First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** : NA

e. **For Audit Qualification(s) where the impact is not quantified by the auditor** :

- (i) The Company has not made any reconciliation / adjustment in the books of accounts in view of ongoing CIRP and likely resolution of the Company in CIRP period.

**13 a. Details of Audit Qualification :**

xiii. There are various Legal Cases filed by / against the Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the standalone financial statements for the year ended March 31, 2024 the amounts whereof are presently not ascertainable.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

**e. For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Company has not made any provision in view of likely resolution of the Company in CIRP period.

**Resolution Professional**

Mr. Anurag Kumar Sinha  
(IBBI/IPA-001/1P-P00427/2017-18/10750  
AFA No A41/10750/02/211223/105243)

**Chief Executive Officer**

Mr. Tarun Dutta

**Chief Financial Officer**

Mr. Anil S. Korpe

**Company Secretary & Legal**

Mr. Vijay Kumar H. Modi

**Auditors For Bagaria & Co. LLP**

Chartered Accountants  
Firm Registration No. - 113447W/W-100019

Vinay Somani

Partner  
Membership No. 143503

**Place : Mumbai**

**Date : 30th May, 2024**

**FORM AOC-1**

Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rules, 2014  
Statement containing salient features of the financial statement of subsidiaries  
(As on / for the period / year ended March 31, 2024)

(Rupees in Crores)

Sr. No.	Particulars	Valecha Infrastructure Ltd	Valecha Badwani Sendhwa Tollways Ltd	Valecha Kachchh Toll Road Ltd	Valecha International FZE	Valecha Reality Limited	Professional Realtors Pvt Ltd.
1	Reporting Currency	INR	INR	INR	INR	INR	INR
2	Share Capital	0.05	5.00	68.50	0.31	0.05	0.01
3	Reserves	(232.68)	(19.92)	(1,446.75)	0.00	(0.32)	(0.25)
4	Total assets	54.19	22.53	43.90	24.25	6.54	0.00
5	Total Liabilities	286.82	37.44	1,422.15	23.94	6.81	0.24
6	Investment except in the case of investment in subsidiary	-	-	-	-	-	-
7	Revenue from Operations	-	13.55	-	-	-	-
8	Other Income	0.01	0.01	0.01	-	-	0.00
9	Profit/(Loss) before Taxation	(10.03)	(4.45)	(181.72)	-	(0.00)	(0.00)
10	Provision for tax - (Current Tax)	-	-	-	-	-	-
11	Provision for tax - (Deferred Tax)	-	-	-	-	-	-
12	Profit/(Loss) after Tax	(10.03)	(4.45)	(181.72)	-	(0.00)	(0.00)
13	% of Share holding	100%	74%	58%	100%	99.80%	100%

**Notes**

- 1 Please refer to consolidated financial statements and notes appearing there on.
- 2 Investment in Valecha international FZE 1,50,000 AED. 1 AED= INR 20.5542 as on 31.03.2022
- 3 The members if they desire, may write to the company at the Registered Office situated at Valecha Chambers, 4th floor, Andheri New Link Road, Andheri (W), Mumbai-53 to obtain a copy of the financials of its subsidiary companies.
- 4 The annual accounts of the subsidiary companies can be inspect by the member at the Registered Office of the Company.

## Independent Auditor's Report

To The Members of Valecha Engineering Limited

Report on the Audit of Consolidated Financial Statements

Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)

The Honourable National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by a Financial Creditor under Section 7 of Insolvency & Bankruptcy Code, 2016 ("IBC") against Valecha Engineering Limited ("the Holding Company") vide its order dated 21.10.2022 and appointed Mr. Anurag Kumar Sinha to act as the Interim Resolution Professional (IRP). Anurag Kumar Sinha in his capacity as IRP had taken control and custody of the management and operations of the Company from October 21, 2022. Thereafter, Committee of Creditors of the Corporate Debtors, at the meetings of the CoC held on November 30, 2022, has confirmed the Interim Resolution Professional as the Resolution Professional ("RP"). RP has invited multiple resolution plans for revival of the Company. The Resolution Plan submitted by one of the Resolution Applicant has been approved by the members of the Committee of Creditors ("CoC"). The RP filed an application bearing IA No. 5819(MB) of 2023 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan. The same is pending for approval before Hon'ble NCLT Mumbai.

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon'ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Company on a going concern basis during the CIRP.

### Qualified Opinion

We have audited the consolidated financial statements of **Valecha Engineering Limited** ("the Holding Company") and its Six Subsidiaries (including one step down subsidiary) (the Holding Company and its subsidiaries together referred to as "The Group"), which comprises of Consolidated Balance Sheet as at March 31, 2024, the Consolidated Financial Statements of Profit and Loss, Other Comprehensive Income, the Consolidated Financial Statements of Changes in Equity and the Consolidated Financial Statements of Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiary as were audited by the other auditors, and except for the effects/ possible effects, if any, of the matters described in the "Basis for Qualified Opinion" paragraphs of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2024, its consolidated loss, consolidated other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

We draw attention to:

- i. As explained in Note No. 49 to the Consolidated Statement, Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Holding Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional (RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code for initiation of CIRP.

Valecha Engineering Limited (VEL) has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Holding Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the Account of Valecha Engineering Limited during CIRP.

Had the Holding Company made provision towards impairment of such Corporate Guarantees to VKTRL, the Net Loss of the Holding Company would have increased by Rs 990.70 Crores.

- ii. As explained in Note No. 50 to the Consolidated Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Holding Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by VEL has been invoked by the secured financial creditors of VLMTPL. However, the Holding Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Holding Company.

Had the Holding Company made provision towards impairment of such Corporate Guarantees to VLMTPL, the Net Loss of the Holding Company would have increased by Rs 261.14 Crores.

- iii. The Consolidated financial statements include goodwill arising on consolidation amounting to Rs. 1.80 Crores which has not been tested for impairment inspite of the losses and sub-optimal operations of the Group. In the absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of non-provision of impairment on goodwill as referred above.

Had the Holding Company made provision towards impairment of Goodwill, the Net Loss of the Holding Company would have increased by Rs. 1.80 Crores.

- iv. As explained in Note 51 to the Consolidated Statement, Corporate Guarantees aggregating to Rs.168.81 crores to Banks on behalf of one Subsidiary Company and one Step-down Subsidiary Company has been invoked by the respective secured financial creditors of the above mentioned subsidiary and step down subsidiary. However, no provision has been made by the Holding Company in this regard in view of likely resolution in CIRP of the Holding Company.

Had the Holding Company made provision towards impairment of Corporate Guarantees, the Net Loss of the Holding Company would have increased by Rs. 168.81 Crores.

- v. As explained in Note No. 52 to the Consolidated Statement, the Holding Company has not evaluated expected credit losses for outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Holding Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate Company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs. 33.87 crores as at March 31, 2024.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the consolidated financial statements for the year ended March 31, 2024.

- vi. As explained in Note No. 53 to the Consolidated Statement, the Holding Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Holding Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Holding Company continues to not recognise the interest payable on its borrowings during the year ended March 31, 2024 in view of likely resolution in CIRP of the Holding Company.

The Holding Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.

In absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of non-provision of interest on loans and statutory dues as referred above.

- vii. As explained in Note No. 54 to the Consolidated Statement, the Holding Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Holding Company, it has not provided any further interest on these outstanding overdue deposits in prior years. The Holding Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of likely resolution in CIRP of the Holding Company.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the consolidated financial statements for the year ended March 31, 2024.

- viii. As explained in Note No. 55 to the Consolidated Statement, Other Non-Current Assets as at March 31, 2024 includes Rs. 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on the consolidated financial statements for the year ended March 31, 2024.

Had the Holding Company made provision towards such indirect taxes from Government Authorities, the Net Loss of the Holding Company would have increased by Rs 31.35 Crores.

- ix. As explained in Note No. 56 to the Consolidated Statement, the Holding Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Holding Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the year ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in point (v) above, balances with revenue authorities of Rs. 8.33 crores referred in point (viii) above] and total liabilities of Rs. 26.70 crores as at March 31, 2024. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on the consolidated financial statements for the year ended March 31, 2024 had the said units been audited by us.

- x. As explained in Note no 57 to the Consolidated Statement, the Holding Company has one in-operative and dormant Bank accounts for which no bank statements are available with the Holding Company. The Holding Company is in the process of obtaining the statements of such inoperative and dormant bank accounts.

In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the consolidated financial statements for the year ended March 31, 2024.

- xi. As explained in Note no 58 to the Consolidated Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the consolidated financial statements for the year ended March 31, 2024, the amounts whereof are presently not ascertainable.



xii. As explained in Note no 59 to the Consolidated Statement, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Holding Company. However, the Holding Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Holding Company.

Had the Holding Company made provision towards Invocation of bank guarantees, the Net Loss of the Holding Company would have increased by Rs 13.40 Crores.

xiii. As explained in Note no 65 to the Consolidated Statement, RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Holding Company. However, pending receipt of final order, the Holding Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors.

In absence of receipt of the final order, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of giving the order effect towards the reconciliations/adjustments in the books of accounts.

xiv. There are various Legal Cases filed by / against the Holding Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the consolidated financial statements for the year ended March 31, 2024, the amounts whereof are presently not ascertainable.

xv. As explained in Note No 61 to the Consolidated Statement, Valecha Reality Limited (VRL), (an Associate Company) has given a loan amounting to Rs. 6.51 crores to M/s SVK Arcade LLP which is long outstanding in the Books of Accounts. VRL is not recognizing and receiving any interest on such loans neither has it made any provision for the loan amount outstanding. Further, the Company VRL has received loans from Valecha Engineering Limited and Valecha Infrastructure Limited (VIL) to the tune of Rs 0.28 crores and Rs. 6.52 crores respectively. Valecha Engineering Limited has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.

The matters stated above except point (xii) and (xiii) were also subject matter of qualification in our audit opinion on the audited consolidated financial statements for the year ended March 31, 2023.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and other auditors in terms of their report referred to in "Other Matter" paragraph below is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

#### **Material Uncertainty Related to Going Concern:**

We draw attention to Note No. 53 & Note No. 64 to the Consolidated Financial Statements which indicates that the Holding Company has accumulated losses and its net worth has been substantially eroded and there has been defaults in repayment of various borrowings and deposits. These conditions, along with the commencement of CIRP proceedings as set forth in Note No. 46, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However, the Consolidated financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note No.64 to the Consolidated Financial Statements.

We draw attention to Note no 62 to the Consolidated Financial Statements in respect of Valecha Kachchh Toll Roads Limited (VKTRL) (a Subsidiary Company) wherein the other auditors had stated in their audit report that:

- Hon'ble, NCLT, Mumbai, passed Order dated 09.10.2023 in Company Petition no. CP (IB) 360(MB)/2023 filed by Canara Bank, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against Valecha Kachchh Toll Roads Limited (VKTRL), Corporate Debtor, for initiating Corporate Insolvency Resolution Process (CIRP).

Mr. Avil Jerome Menezes, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IPP00017/2016-17/10041] has been appointed as Interim Resolution Professional (IRP)(later on confirmed as RP by Committee of Creditors (CoC)), to carry out the functions as mentioned under Insolvency & Bankruptcy Code, 2016 for running the CIRP of the Company. Further Resolution plan for revival of the company has been submitted by Resolution Applicant in reply to the invitation for expression of interest dated 05.12.2023 filed by the RP, the resolution plan submitted is under review and yet to be approved by the CoC as on the date of the audit report.

The accumulated losses incurred in the past years have resulted in erosion of Company's peak Net worth, it has accumulated losses of Rs. (1,446.75 crores) (Previous year: Rs (1,265.03 crores)) and a Negative net worth of Rs. (1,378.25 crores) (Previous year: Negative net worth of Rs. (11,96.53 crores)). During the year ended March 31, 2024, the Company incurred a net loss of (Rs. 181.72 crores) (Previous year: net loss of (Rs. 515.53 crores)). However, in view of the fact that CIRP has been initiated against the Company and as per provisions of IBC, 2016, the company is to be kept as a going concern, and hence audited financial statements are prepared assuming that it will continue as a going concern.

Also, it has continued defaulted in repayment of its financial obligation including interest and GSRDC had terminated the contract with the Company on 23.02.2023 and had taken over control of its toll operations. Further GSRDC has also invoked arbitration proceedings vide letter dated 07.03.2023 during the pendency of the conciliation process which the Company has strongly opposed and have asked for completion of conciliation process before invoking of arbitration clause. The Company is also in the process to submit an upward revised Statement of Claims for the period upto and including 23.02.2023. Since GSRDC has taken over the control of toll operations, the Company has provided for impairment loss on Tangible assets, Intangible assets and Intangible assets under development aggregating to Rs. 342.68 Crores and shown as "Exceptional Items" under Statement of Profit and Loss during previous year.

## 46th Annual Report 2023-2024

As per the communication with Resolution Professional the matter is ongoing at Gujarat High Court and the next date for hearing is scheduled for 05th July 2024. Accordingly, we are unable to comment whether the company be able to obtain back the control of the toll operations and receive the claim made by the company, and whether the company will be able to generate any operational income for a period of 12 months from the date of this auditor's report.

- We draw attention to Note no 63 to the Consolidated Statement in respect of Valecha Infrastructure Limited (VIL) (a Subsidiary Company) wherein the other auditors had stated in their audit report that:
- VIL continues to prepare its Financial Statements on going concern basis even though it has accumulated losses of Rs. (232.68 crores) (Previous year: Rs (222.65 crores)) and a Negative net worth of Rs. (232.63 crores) (Previous year: Negative net worth of Rs. (222.60 crores)). During the year ended March 31, 2024, the Company incurred a net loss of (Rs. 10.03 crores) (Previous year: net loss of (Rs. 10.02 crores)). Also there has been default in repayment of bank borrowing. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Also, there is uncertainty regarding the recoverability of the strategic investment made in subsidiaries.

Our opinion is not modified in respect of the above matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response
1.	<b>Revenue from Construction Contracts</b>	
	<p>There are significant accounting judgment including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>The Holding Company recognizes revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract.</p> <p>Refer to Note Number 2.7 Summary of significant accounting policies – "Revenue Recognition" of the Consolidated Financial Statements</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the Holding Company's revenue recognition accounting policies in line with Ind AS 115 and testing thereof.</li> <li>• Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness;</li> <li>• Testing the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard;</li> <li>• Testing a sample of contracts for appropriate identification of performance obligations;</li> <li>• For the sample selected, reviewing for change orders and the impact on the estimated costs to complete;</li> <li>• Discussion with the qualified &amp; experienced project personnel regarding estimates of costs to complete for sample contracts, determination of milestones, various inherent contingencies in the contracts.</li> <li>• Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</li> </ul>

### Information Other than the Consolidated Financial Statements and auditor's report thereon

The Holding Company's Management is responsible for the preparation of other information. The Other information comprises the information included in the Board's Report including Annexures to the Board report but does not include the consolidated financial statement and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors and, in doing so, place reliance on the other auditors, and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management responsibilities for the Consolidated Financial Statements

The Resolution Professional is currently managing the operations of the Holding company and Consolidated Financial Statements have been prepared on going concern basis. The Holding Company's Management is responsible for the matters stated in Section 134(5) of the Act with respect

to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act

The respective management of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the respective companies or to cease operations, or has no realistic alternative but to do so.

The respective company's management of the companies included in the group are responsible for overseeing the financial reporting process of the group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the respective entities ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of an identified misstatement in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- i. We did not audit the financial statements of five subsidiaries (including one step down subsidiary) included in the consolidated audited financial statements whose financial statements reflect total assets of Rs. 127.16 Crores, total revenue of Rs 13.58 crores for the year ended March 31, 2024, total comprehensive loss of Rs 196.20 crores for the year ended March 31, 2024. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated above.
- ii. We have relied on the unaudited financial information furnished by the Holding Company's management with respect to one subsidiary included in the consolidated financial statements whose financial information reflect total assets of Rs. 24.25 Crores, total revenue of Rs. NIL for the year ended March 31, 2024 and total comprehensive loss of Rs. NIL for the year ended March 31, 2024. The unaudited financial information of the company has been furnished to us by the Holding Company's management based on provisional financial accounts and information available with the Holding Company and are not approved by the Management of the respective Company. Our opinion on the financial statements, in so far as relates to the amount and disclosures included in respect of these subsidiary is based solely on such unaudited financial information.

Our opinion is not modified in respect of the above matters listed under "Other Matters" paragraph.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other Auditors on separate financial statements of the subsidiaries as noted in the note no. 'i' of "Other Matters" paragraph above and unaudited financial statements referred to in 'ii' of "Other Matters" paragraph above, we report, to the extent applicable that:
  - (a) Except for the matters stated in "Basis for Qualified Opinion" paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) Except for the matters stated in "Basis for Qualified Opinion" paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company and its subsidiaries included in the Group, so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors and information certified by the management;
  - (c) The aforesaid Consolidated Balance sheet, the Consolidated Statement of Profit & Loss (including consolidated other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) Except for the possible effects of matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards prescribed under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) The matters described in the "Basis for Qualified Opinion" paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the Company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has not paid remuneration to its directors during the year.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries and financial statements certified by the Management in case of one subsidiary as noted in 'Other Matters':
    - i. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 35 and Note 60 to the Consolidated Financial Statements.

- ii. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, provisions have been made in the Consolidated Financial Statement, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts.
- iii. There has been no delay in transfer of amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
- iv. a) The Holding Company's Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) during the year by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Holding Company's Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group during the year from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e) of The Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contains any material misstatement.
- v. The Holding Company has not declared or paid any dividend during the year ended March 31, 2024 and hence reporting compliance of Section 123 of the Act is not applicable.
- vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and step-down subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the Group has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which does not have a feature of recording audit trail (edit log) facility.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- 2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company, we report that there are following qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements:

Sr. No	Name	CIN	Nature of Company	Clause number of the CARO report which is qualified or adverse
1	Valecha Infrastructure Limited	U55101MH1995PLC084399	Subsidiary Company	iii(b), iii(c) iii(d),vii(b),ix(a),xiv,xvii,xix
2	Valecha Kachchh Toll Roads Limited	U45203MH2011PLC219600	Subsidiary Company	vii(b), ix(a), xii, xix
3	Valecha Badwani Sendhwa Tollways Limited	U45203MH2011PLC215905	Subsidiary Company	vii(b), vii(c), xix

**For Bagaria& Co. LLP**  
**Chartered Accountants**  
 Firm Registration No: 113447W/W-100019

**Vinay Somani**  
**Partner**  
**Membership No: 143503**  
**UDIN: 24143503BKDJJS7927**

**Place : Mumbai**  
**Date : May 30, 2024**

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF VALECHA ENGINEERING LIMITED**

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements over financial reporting of **Valecha Engineering Limited** (“the Holding Company”) and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective management of the Holding Company and its subsidiary companies and its associate companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Group’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls with reference to consolidated financial statements**

A Group’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Group’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorizations of management and directors of the Group; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group’s assets that could have a material effect on the consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Group’s internal financial controls with reference to consolidated financial statements as at March 31, 2024:

- a. The Holding Company is not having a full fledged ERP system to manage different operational activities. Accordingly, many of the operations, which would have been taken care by the system, required manual intervention and to that extent there are limitations in control system and processes.

The discrepancies noticed due to the above weakness, were, however, rectified by the year end with manual intervention.

- b. The Holding Company did not have an appropriate internal control system at some projects sites which could potentially result in material misstatements in the Holding Company's liabilities, trade receivables and other assets.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

#### **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as of March 31, 2024, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the said Guidance Note issued by ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Company for the year ended March 31, 2024.

#### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal Financial controls with reference to consolidated financial statements in so far as it relates to two subsidiary companies (including one step down subsidiary company) incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by, and on the reports of the other auditors.

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No: 113447W/W-100019

**Vinay Somani**  
**Partner**  
Membership No: 143503  
**UDIN:** 24143503BKDZJS7927

**Place :** Mumbai  
**Date :** May 30, 2024

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024**

(Rupees in Crores)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant & Equipment	3	2.14	2.57
(b) Right of use assets	3.1	-	0.11
(c) Investment Property	3.2	1.58	1.62
(d) Goodwill on Consolidation		1.80	1.80
(e) Other Intangible Assets	3.3	17.27	24.18
(f) Financial Assets			
(i) Investments	4	0.08	0.08
(ii) Other Financial Assets	5	88.70	80.19
(g) Other Non-Current Assets	6	38.46	37.65
<b>Total Non Current Assets</b>		<b>150.03</b>	<b>148.20</b>
<b>Current Assets</b>			
(a) Inventories	7	-	0.01
(b) Financial Assets			
(i) Trade Receivables	8	304.73	302.90
(ii) Cash & Cash Equivalents	9	9.27	9.62
(iii) Bank Balances other than (ii) above	10	1.35	4.25
(iv) Loans	11	92.08	92.59
(v) Other Financial Assets	12	7.93	6.81
(c) Other Current Assets	13	26.07	28.63
<b>Total Current Assets</b>		<b>441.43</b>	<b>444.81</b>
<b>Total Assets</b>		<b>591.46</b>	<b>593.01</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	22.53	22.53
(b) Other Equity	15	(1,091.55)	(971.39)
<b>Equity Attributable to Shareholders of the Company</b>		<b>(1,069.02)</b>	<b>(948.86)</b>
<b>Non-Controlling Interest</b>		<b>(615.62)</b>	<b>(538.14)</b>
<b>Total Equity</b>		<b>(1,684.64)</b>	<b>(1,487.00)</b>
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	52.47	51.21
(iii) Other Financial Liabilities	17	45.83	34.86
(b) Provisions	18	0.61	0.58
(c) Deferred Tax Liabilities (Net)	19	3.77	3.77
(d) Other Non-Current Liabilities	20	32.61	35.46
<b>Total Non Current Liabilities</b>		<b>135.29</b>	<b>125.88</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	984.89	990.44
(ii) Trade Payables	22		
- Total outstanding dues of micro enterprises and small enterprises; and		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		65.85	66.22
(iii) Other Financial Liabilities	23	1,081.30	889.54
(b) Other Current Liabilities	24	8.11	7.52
(c) Provisions	25	0.66	0.41
<b>Total Current Liabilities</b>		<b>2,140.81</b>	<b>1,954.13</b>
<b>Total Equity &amp; Liabilities</b>		<b>591.46</b>	<b>593.01</b>
Significant Accounting Policies	1 & 2		
See Accompanying notes forming part of the Financial Statements	3 to 67		

In term of our Report attached

**For Bagaria & Co. LLP**

Chartered Accountants

FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited****Anurag Kumar Sinha**

Resolution Professional

IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**

Partner

Membership No. 143503

**Tarun Dutta**

Chief Executive Officer

Place : Mumbai.

Date : 30th May, 2024

**Vijay Kumar H. Modi**

Company Secretary &amp; Legal

Membership No. FCS 1831

**Anil S. Korpe**

Chief Financial Officer



**Consolidated Statement Of Profit And Loss For Year Ended March 31, 2024**

(Rupees in Crores)

Particulars	Note	Year Ended March 31,2024	Year Ended March 31,2023
<b>Income</b>			
Revenue from Operations	26	70.56	113.69
Other Income	27	1.63	3.62
<b>Total Income</b>		<b>72.19</b>	<b>117.31</b>
<b>EXPENSES</b>			
Construction Expenses	28	53.04	101.27
Changes in Inventories	29	0.01	0.02
Employee Benefit Expenses	30	4.24	6.35
Finance Cost	31	198.69	173.63
Depreciation and Amortization Expenses	3	7.48	22.34
Other Expenses	32	6.43	11.28
<b>Total Expenses</b>		<b>269.89</b>	<b>314.89</b>
<b>Profit/ (Loss) Before Share of Net Profit/ (loss) in Associate, Exceptional Items and Tax</b>		<b>(197.70)</b>	<b>(197.58)</b>
Share of Net Profit/ (loss) in Associates		-	-
<b>Profit/ (Loss) Before Exceptional Items and Tax</b>		<b>(197.70)</b>	<b>(197.58)</b>
Exceptional Items (Net)	33	-	287.39
<b>Profit/ (loss) Before Tax</b>		<b>(197.70)</b>	<b>(484.97)</b>
<b>Tax Expenses</b>			
Current Tax (Including earlier year taxation)		-	-
Deffered Tax		-	-
		-	-
<b>Profit/ (Loss) for the year</b>		<b>(197.70)</b>	<b>(484.97)</b>
<b>Attributable to</b>			
Shareholders of the Company		(120.22)	(268.51)
Non-Controlling Interests		(77.48)	(216.46)
<b>Other Comprehensive Income / (Loss)</b>			
A. (i) Items that will not be reclassified to profit or loss			
(a) Fair Value of Financial Instruments		-	-
(b) Investment in Equity Instruments		-	-
(c) Re-measurement of defined benefit plans		0.06	(0.01)
(ii) Income tax relating to items that will not be classified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss			
(a) Re-measurement of gain/(loss) of investment/advances in foreign subsidiary		-	-
(ii) Income tax relating to items that will be classified to profit or loss		-	-
<b>Other Comprehensive Income / (Loss) for the year</b>		0.06	(0.01)
<b>Total Comprehensive Income for the year</b>		<b>(197.64)</b>	<b>(484.98)</b>
<b>Attributable to</b>			
Shareholders of the Company		(120.16)	(268.52)
Non-Controlling Interests		(77.48)	(216.46)
<b>Earnings per Equity Share of Face Value of Rs. 10 each</b>			
Basic and Diluted	34	(87.75)	(215.25)
Significant Accounting Policies	1 & 2		
See Accompanying notes forming part of the Financial Statements	3 to 67		

In term of our Report attached  
**For Bagaria & Co. LLP**  
 Chartered Accountants  
 FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Anurag Kumar Sinha**  
 Resolution Professional  
 IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**  
 Partner  
 Membership No. 143503

**Tarun Dutta**  
 Chief Executive Officer

Place : Mumbai.  
 Date : 30th May, 2024

**Vijay Kumar H. Modi**  
 Company Secretary & Legal  
 Membership No. FCS 1831

**Anil S. Korppe**  
 Chief Financial Officer

## Consolidated Statement of Cash Flow For the Year Ended March 31, 2024

Particulars	Note	(Rupees in Crores)	
		Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A. Cash flow from Operating activities</b>			
Profit/ (Loss) Before Tax		(197.70)	(484.97)
<b>Add / (Deduct) Adjustment for :</b>			
Depreciation and Amortization Expense		7.48	22.34
Impairment/ Discard of Tangible and Intangible Assets		-	287.39
Finance Cost		198.69	173.63
Interest Income		(1.51)	(1.63)
Re-measurement of defined benefit plans		0.06	(0.01)
Rental Income from Investment Properties		-	(0.40)
<b>Operating Profit/ (Loss) before Working Capital changes</b>		<b>7.02</b>	<b>(3.65)</b>
<b>Changes in Working Capital:</b>			
<b>Adjustment for (increase) / decrease in operating assets:</b>			
Decrease in Inventories		0.01	0.03
(Increase)/ Decrease in Trade Receivable		(1.83)	2.64
(Increase) / Decrease Loans		0.51	(0.42)
(Increase)/ Decrease in other current assets and non-current financial assets		(4.17)	(6.43)
<b>Adjustment for (increase) / decrease in operating liabilities:</b>			
Increase/ (Decrease) in Trade Payables		(0.37)	3.62
Increase/(Decrease) in other current and financial liabilities (non-current)		200.51	184.69
Increase/ (Decrease) in Provisions		0.25	(0.35)
<b>Cash Generated From / (used in) Operations</b>		<b>201.92</b>	<b>180.11</b>
Direct Taxes (Paid)		(0.81)	8.08
<b>Net Cash Flow from operating activities (A)</b>		<b>201.11</b>	<b>188.20</b>
<b>B. Cash Flow from investing activities</b>			
Capital Expenditure for Property, Plant and Equipments, Investments Property, Intangible Assets including CWIP		0.01	(10.43)
Interest received		1.51	1.63
Rental Income from investment property		-	0.40
<b>Net Cash flow from investing activities (B)</b>		<b>1.52</b>	<b>(8.40)</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from/ (Repayment) of long term borrowings		1.25	(1.68)
Net increase / (Decrease) in Working Capital borrowings		(5.55)	(2.25)
Finance Cost		(198.69)	(173.63)
<b>Net Cash flow used in financing activities (C )</b>		<b>(202.98)</b>	<b>(177.56)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(0.35)</b>	<b>2.24</b>
<b>Cash and Cash Equivalent at the beginning of the period</b>		9.62	7.38
<b>Cash and Cash Equivalent at the end of the period</b>		9.27	9.62
Note: Figures in brackets represents cash outflow			
Significant Accounting Policies	1 & 2		
See Accompanying notes forming part of the Financial Statements	3 to 67		

In term of our Report attached

**For Bagaria & Co. LLP**

Chartered Accountants

FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited****Anurag Kumar Sinha**

Resolution Professional

IBBI/IPA – 001/IP – P00427/2017-18/10750

**Vinay Somani**

Partner

Membership No. 143503

**Tarun Dutta**

Chief Executive Officer

Place : Mumbai.

Date : 30th May, 2024

**Vijay Kumar H. Modi**

Company Secretary &amp; Legal

Membership No. FCS 1831

**Anil S. Korpe**

Chief Financial Officer

**Consolidated Statement of Changes in Equity For the year Ended March 31, 2024**

(Rupees in Crores)

<b>A. Equity Share Capital</b>	<b>Nos. of Shares</b>	<b>Amount</b>
<b>Balance as at April 01, 2022</b>	2,25,30,025	22.53
Add: Changes in Equity Share Capital	-	-
<b>Balance as at March 31, 2023</b>	2,25,30,025	22.53
Add: Changes in Equity Share Capital	-	-
<b>Balance as at March 31, 2024</b>	2,25,30,025	22.53

**B. Other Equity (Rupees in Crores)**

Particulars	Reserve & Surplus					Item of other Comprehensive Income / (Loss)			Total
	Securities Premium Reserve	General Reserve	Compulsory Convertible Debentures (CCD)	Revaluation Reserve	Retained Earnings	Defined benefit plans	Re-measurement of gain/(loss) of investment/ advances in foreign subsidiary	Fair Value of Financial Measurements	
<b>Balance at April 01, 2022</b>	111.24	43.90	5.20	-	(861.78)	(0.02)	3.34	(4.75)	<b>(702.86)</b>
Other comprehensive Income / (loss) for the year, net of tax						(0.01)			(0.01)
Prior Year Adjustments for Taxes and Others					-				-
Profit / (Loss) for the year					(268.52)				(268.52)
<b>Balance at March 31, 2023</b>	111.24	43.90	5.20	-	(1,130.30)	(0.03)	3.34	(4.75)	<b>(971.39)</b>
Other comprehensive Income / (loss) for the year, net of tax						0.06			0.06
Prior Year Adjustments for Taxes and Others					-				-
Profit / (Loss) for the year					(120.22)				(120.22)
<b>Balance at March 31, 2024</b>	111.24	43.90	5.20	-	(1,250.52)	0.03	3.34	(4.75)	<b>(1,091.55)</b>

In term of our Report attached  
**For Bagaria & Co. LLP**  
 Chartered Accountants  
 FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Anurag Kumar Sinha**  
 Resolution Professional  
 IBBI/IPA – 001/IP – P00427/2017-18/10750

**Tarun Dutta**  
 Chief Executive Officer

**Vijay Kumar H. Modi**  
 Company Secretary & Legal  
 Membership No. FCS 1831

**Anil S. Korpe**  
 Chief Financial Officer

**Vinay Somani**  
 Partner  
 Membership No. 143503

Place : Mumbai.  
 Date : 30th May, 2024

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

### 1 Statement of compliance

The Consolidated financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

### 2 Significant accounting policies

#### 2.1 Basis of preparation and presentation

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1.1 Historical cost convention

The Group follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. the consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

##### 2.1.2 Current & Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has ascertained its operating cycle as twelve (12) months for the purpose of current or non-current classification of assets and liabilities.

The Group's consolidated financial statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest crore (₹ 0,000,000) in two decimals except when otherwise indicated.

### 2.2 Basis of consolidation

**2.2.1** The consolidated financial statements incorporate the financial statements of the Parent Group and its subsidiaries (Refer Note 40). For this purpose, an entity which is, directly or indirectly, controlled by the Parent Group is treated as subsidiary. The Parent Group together with its subsidiaries constitute the Group. Control exists when the Parent Group, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

**2.2.2** Consolidation of a subsidiary begins when the Parent Group, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Group, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Group, directly or indirectly, gains control until the date when the Parent Group, directly or indirectly, ceases to control the subsidiary.

**2.2.3** The consolidated financial statements of the Group combines financial statements of the Parent Group and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Group.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Group's standalone financial statements.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Group and to the non-controlling interests and have been shown separately in the consolidated financial statements.

**2.2.4** Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Parent Group.

**2.2.5** The gains/losses in respect of part divestment/dilution of stake in subsidiary companies not resulting in ceding of control, are recognised directly in other equity attributable to the owners of the Parent Group.

**2.2.6** The gains/losses in respect of divestment of stake resulting in ceding of control in subsidiary companies are recognised in the Statement of Profit and Loss. The investment representing the interest retained in a former subsidiary, if any, is initially recognised at its fair value with the corresponding effect recognised in the Statement of Profit and Loss as on the date the control is ceded. Such retained interest is subsequently accounted as an associate or a joint venture or a financial asset.

**2.2.7** Goodwill on consolidation as on the date of transition i.e. April 1, 2016 represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Capital reserve on consolidation (if any) represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of (a) consideration paid for acquiring control and (b) acquisition date fair value of previously held ownership interest, if any, in a subsidiary over the Group's share in the fair value of the net assets (including identifiable intangibles) of the subsidiary as on the date of acquisition of control.

Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

### 2.3 Use of Estimates

The preparation of the consolidated financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known /materialise.

### 2.4 Inventories

The inventories of materials on hand at the end of the year are valued at lower of cost or net realisable value. The cost is being determined on First-In-First out method. Cost of work-in-progress comprises, raw materials, direct labour, other direct costs and related production overheads.

### 2.5 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.6 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

### 2.7 Revenue recognition

The Group Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. The Company recognizes revenue and profit/loss on the basis of stage of completion achieved under each contract. The recognition of revenue and profit/loss therefore rely on degree of completion achieved under each contract.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred.

Contracts executed in Joint Ventures / Consortium under work sharing arrangement are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed. In case where the contracts are executed independently by the Joint Ventures the share of profit / (Loss) is recognized as an income / (Loss) in the Books of account of the Company in the year in which the relative contract/s is/are completed / Income received.

Revenue is disclosed net of Goods and Service Tax (GST) as applicable.

#### Other Income

Interest Income is recognised on the basis of effective interest method as set out in IND AS 109 on Financial Instruments and where no significant uncertainty as to measurability or collectability exists.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

### 2.8 Employee Benefit

#### 2.8.1 Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

### 2.8.2 Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### 2.8.3 Post-employment obligations

#### (i) Defined benefit provident fund plan

The Group's contribution to provident fund is charged to Statement of Profit and Loss.

#### (ii) Defined benefit Gratuity fund plan

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

The Group does not have scheme of leave encashment.

## 2.9 Taxation

2.9.1 The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

### 2.9.2 Current Tax

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.9.3 Deferred Tax

Deferred Tax charge or credit is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### 2.9.4 Minimum Alternative Tax ('MAT')

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

## 2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

### 2.10.1 Financial Assets

#### **Classification of Financial Assets**

The Group classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### **Measurement of Financial Assets**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### 2.10.1.a **Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

#### 2.10.1.b **Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 2.10.1.c **Fair Value Hedge**

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised in statement of profit and loss.

#### **Impairment of financial assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

### **Derecognition of financial assets**

A financial asset is derecognised only when -

- (a) The Group has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### **2.10.2 Financial Liabilities**

#### **Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- 2.10.3** (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### **2.11 Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

### **2.12 Property, plant and equipment**

On transition to Ind AS, The group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

Free-hold land is carried at cost. Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.



## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

The Group assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any, such indication exists, the carrying value of such asset is reduced to its recoverable amount and the impairment loss is charged to profit and loss account. If at the balance Sheet date there is any deduction that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

### Depreciation and amortisation

Depreciation on Fixed Assets is calculated on "Straight Line Method" over the estimated useful life in the manner prescribed in Schedule II of the Companies Act, 2013.w.e.f. 01.04.2014. Depreciation on Revalued Assets, is calculated on their respective book values, at the rates considered applicable by the valuers.

Free hold land is not depreciated. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### 2.13 Foreign currency transactions

Transactions in foreign currency are recorded at the rate of exchange in force at the time transactions are affected. Exchange differences arising on settlement of these transactions are recognized in the Statement of Profit and Loss.

Monetary items (other than those related to acquisition of fixed assets) denominated in foreign currency are revalued using the exchange rate prevailing at date of the Balance Sheet and resulting exchange difference is recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

### 2.14 Investment Property

Property that is held for rental or Capital appreciation and which is not occupied by the group, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

### 2.15 Intangible assets

On transition to Ind AS, The group has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the group and (b) the cost of the asset can be measured reliably.

#### Amortisation on Intangible asset

Amortisation on intangible Assets is calculated on "Straight Line Method" over the period of useful life of asset as technically evaluated by the management.

### 2.16 Earnings per share

#### 2.16.1 Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

#### 2.16.2 Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 2.17 Impairment of Assets :

The carrying amounts of all assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An assets is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

### 2.18 Provisions, contingent liabilities and contingent assets

#### *Provisions*

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### *Contingent liabilities*

Contingent Liabilities are not recognized but disclosed in notes forming part of the consolidated financial statements.

#### *Contingent Assets*

Contingent Assets are disclosed, where an inflow of economic benefits is probable. Contingent assets are neither recognised nor recorded in financial statements.

### 2.19 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

### 2.20 Leases

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019.

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date.

Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease liability is initially measured at the present value of the lease payments, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, or a change in the estimate of the guaranteed residual value, or a change in the assessment of purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation and cumulative impairment, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date to the end of the lease term or useful life of the underlying asset whichever is earlier. Carrying amount of lease liability is increased

by interest on lease liability and reduced by lease payments made. Lease payments associated with following leases are recognised as expense on straight-line basis:

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on Company's net investment in the lease. A lease which is not classified as a finance lease is an operating lease.

The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.

### 2.21 Income Tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss except when they relate to items that are recognised in other comprehensive income or directly in equity, in such case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### 2.22 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group

### 2.23 Critical accounting estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

(a) Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(b) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

(c) Defined Benefit Obligation

The costs of providing pensions and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(e) Right-of-use assets and lease liability

The Company has exercised judgement in determining the lease term as the noncancellable term of the lease, together with the impact of options to extend or terminate the lease if it is reasonably certain to be exercised. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

## 3 Property, Plant &amp; Equipment

## Cost

Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 01, 2022</b>	-	1.62	2.85	2.61	1.74	8.82
Additions	-	-	-	0.02	-	0.02
Disposal / Adjustments	-	-	-	-	0.34	0.34
Impairment Losses	-	-	-	2.48	-	2.48
<b>Balance as at March 31, 2023</b>	-	1.62	2.85	0.15	1.40	6.02
Additions	-	-	-	-	-	-
Disposal / Adjustments	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	-	1.62	2.85	0.15	1.40	6.02

## Accumulated Depreciation

Particulars	Land-Freehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 01, 2022</b>	-	0.42	1.41	2.45	1.39	5.67
Depreciation / Amortization	-	0.04	0.34	0.03	0.07	0.48
Disposal / Adjustments	-	-	-	-	0.34	0.34
Impairment Losses	-	-	-	2.36	-	2.36
<b>Balance as at March 31, 2023</b>	-	0.46	1.75	0.12	1.12	3.45
Depreciation / Amortization	-	0.03	0.33	0.01	0.06	0.43
Disposal / Adjustments	-	-	-	-	-	-
Impairment Losses	-	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	-	0.49	2.08	0.13	1.18	3.88

## Carrying Amount

Particulars	As at March 31, 2024	As at March 31, 2023
Land- Freehold	-	-
Buildings	1.13	1.16
Plant & Equipment	0.77	1.10
Furniture & Fixtures	0.02	0.03
Vehicles	0.22	0.28
<b>Total</b>	<b>2.14</b>	<b>2.57</b>

## 3.1 Right of use assets

## Gross Block

	Right of use assets	Total
<b>Balance as at April 01, 2022</b>	<b>0.31</b>	<b>0.31</b>
Additions	0.18	0.18
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>0.49</b>	<b>0.49</b>
Additions	0.16	0.16
Disposal / Adjustments	0.65	0.65
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**Accumulated Depreciation**

	Building	Total
<b>Balance as at April 01, 2022</b>	0.26	0.26
Depreciation	0.12	0.12
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	0.38	0.38
Depreciation	0.10	0.10
Disposal / Adjustments	0.48	0.48
<b>Balance as at March 31, 2024</b>	-	-
<b>Net carrying amount as at March 31, 2024</b>	-	-
<b>Net carrying amount as at March 31, 2023</b>	0.11	0.11

**3.2 Investment Property**
**Cost**

Particulars	Buildings	Total
<b>Balance as at April 01, 2022</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>2.54</b>	<b>2.54</b>
Additions	-	-
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2024 *</b>	<b>2.54</b>	<b>2.54</b>

**Accumulated Depreciation**

Particulars	Building	Total
<b>Balance as at April 01, 2022</b>	<b>0.87</b>	<b>0.87</b>
Depreciations	0.04	0.04
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2023</b>	<b>0.91</b>	<b>0.91</b>
Depreciations	0.04	0.04
Disposal / Adjustments	-	-
<b>Balance as at March 31, 2024 *</b>	<b>0.95</b>	<b>0.95</b>

**Carrying Amount**

Particulars	As at March 31, 2024	As at March 31, 2023
Buildings	1.58	1.62
<b>Total *</b>	<b>1.58</b>	<b>1.62</b>

\*Includes property situated at Keshava, BKC, Mumbai

Disclosure pursuant to Ind AS 40 "Investment Property"

**(i) Amount recognised in profit or loss for Investment Properties**

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
1 Rental Income	-	0.40
2 Direct operating expenses from property that generate rental income.	0.04	0.04
3 Direct operating expenses from property that did not generate rental income.	0.04	0.04
4 The Parent company is using same life for the same class of asset as applicable for property plant and equipment.		

**(ii) Details with respect to fair valuation of Investment property :**

- 1 Fair valuation is based on internal assessment by management based on Government rates, Market trend and previous valuation report Rs.22.14 Crores (Rs.22.14 crores for March 31, 2023)

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

## 3.3 Other Intangible Assets

## Cost

Particulars	Concessionaire Right	Total
<b>Balance as at April 01, 2022</b>	<b>298.69</b>	<b>298.69</b>
Additions	-	-
Disposal / Adjustments	-	-
Impairment Losses	200.25	200.25
<b>Balance as at March 31, 2023</b>	<b>98.44</b>	<b>98.44</b>
Additions	-	-
Disposal / Adjustments	-	-
Impairment Losses	-	-
<b>Balance as at March 31, 2024</b>	<b>98.44</b>	<b>98.44</b>

## Accumulated Depreciation

Particulars	Concessionaire Right	Total
<b>Balance as at April 01, 2022</b>	179.35	179.35
Depreciation / Amortization	21.72	21.72
Disposal / Adjustments	-	-
Impairment Losses	126.81	126.81
<b>Balance as at March 31, 2023</b>	<b>74.26</b>	<b>74.26</b>
Depreciation / Amortization	6.91	6.91
Disposal / Adjustments	-	-
Impairment Losses	-	-
<b>Balance as at March 31, 2024</b>	<b>81.17</b>	<b>81.17</b>

## Carrying Amount

Particulars	As at March 31, 2024	As at March 31, 2023
Concessionaire Right	17.27	24.18
<b>Total</b>	<b>17.27</b>	<b>24.18</b>

## 4 Investments

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Unquoted &amp; Fully Paid Equity Instruments In Associate Companies - At Cost</b>				
Valecha Power Ltd	25,000	0.03	25,000	0.03
Investment in Gopaldas Vasudev Construction Limited [352 (Pr. Yr. Nil) Equity Shares Face Value of Rs 100 Each]	352	-	352	-
Aryavrat Tollways Pvt. Ltd. - Voting Shares (Face Value ₹10/- each)	4,900	0.01	4,900	0.01
Aryavrat Tollways Pvt. Ltd. - Non-Voting Shares (Face Value ₹ 10/- each)	44,100	0.04	44,100	0.04
Less:- Provision for Diminution in the value of Investment	-	(0.05)	-	(0.05)
		<b>0.03</b>		<b>0.03</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>In Others (at FVTOCI)</b>				
The Saraswat Co-op. Bank Ltd. (Face Value ₹10/- each)	2,500	-	2,500	-
The Janakalyan Sahakari Bank Ltd. (Face Value ₹10/- each)	50,000	0.05	50,000	0.05
The Janta Sahakari Bank Ltd (Face Value ₹10/- each)	100	-	100	-
Valecha Chambers Condominium (Face Value ₹ 100/- each)	37	-	37	-
Varun Cements Ltd. (Face Value ₹ 10/- each)	42,800	-	42,800	-
		<b>0.05</b>		<b>0.05</b>
<b>Investment in Equity Shares of Subsidiaries - Unquoted</b>				
Investment in Valecha LM Toll Private Limited [74,00,000 (Pr. Yr. 74,00,000) Equity Shares Face Value of Rs 10 Each ]		7.40		7.40
Less: Provision for Diminution in the value of Investment		(7.40)		(7.40)
		-		-
<b>Investment in Debentures of subsidiary - Unquoted</b>				
Investment in CCD - Valecha LM Toll Private Limited [3,73,10,000 (Pr. Yr. 3,73,10,000) CCD Face Value of Rs 10 Each ]		37.31		37.31
Less: Provision for Diminution in the value of Investment		(37.31)		(37.31)
		-		-
<b>Total</b>		<b>0.08</b>		<b>0.08</b>
Aggregate amount of unquoted investments		<b>0.08</b>		<b>0.08</b>

**5 Other Non Current Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered good unless otherwise stated		
Security Deposits	0.18	0.19
Retention	44.05	35.54
Advance to suppliers	26.17	26.16
Others	18.30	18.30
<b>Total</b>	<b>88.70</b>	<b>80.19</b>

**6 Other Non Current Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (net of provisions)	7.06	6.25
Balance with Government Authorities	31.39	31.39
Deposits	0.01	0.01
<b>Total</b>	<b>38.46</b>	<b>37.65</b>

**7 Inventories**

(As taken, valued &amp; certified by Management)

Particulars	As at March 31, 2024	As at March 31, 2023
Stock of Materials	-	0.01
Consumable Stores and Spares		
Work in Progress		
<b>Total</b>	<b>-</b>	<b>0.01</b>

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

## 8 Trade Receivables\*

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Considered Good	304.73	302.90
Considered Doubtful		
	304.73	302.90
Less: Allowance for Expected Credit Loss	-	-
<b>Total</b>	<b>304.73</b>	<b>302.90</b>

\* Refer note no. 8.1 for ageing schedule

\* Refer note no. 44.2 for credit risk

## 8.1 Current assets: Trade Receivables ageing

Particulars	As at 31-3-2024					Total
	Outstanding for the following periods from the date of the transaction					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>						
Considered good	-	-	-	-	-	-
Increase in credit risk	4.27	3.89	0.01	6.88	190.24	205.27
Credit impaired	-	-	-	-	-	-
<b>Disputed:</b>						
Considered good	-	-	-	-	99.45	99.45
Increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross trade receivables	4.27	3.89	0.01	6.88	289.69	304.73
Less: Allowance for expected credit loss						-
<b>Total</b>						<b>304.73</b>

Particulars	As at 31-3-2023					Total
	Outstanding for the following periods from the date of the transaction					
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed:</b>						
Considered good	-	-	-	-	-	-
Increase in credit risk	5.76	1.04	6.21	13.90	176.43	203.33
Credit impaired	-	-	-	-	-	-
<b>Disputed:</b>						
Considered good	-	-	-	-	99.57	99.57
Increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Gross trade receivables	5.76	1.04	6.21	13.90	276.00	302.90
Less: Allowance for expected credit loss						-
<b>Total</b>						<b>302.90</b>

## 9 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on Hand	0.02	0.09
Balances with Banks		
- In Current Accounts	9.25	9.53
<b>Total</b>	<b>9.27</b>	<b>9.62</b>



**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**10 Other Bank Balances**

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked Balances with Banks		
- Unpaid Dividend Accounts	0.01	0.01
- Margin Money Deposit	1.34	4.24
<b>Total</b>	<b>1.35</b>	<b>4.25</b>

**11 Loans (Current)**

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good unless otherwise stated		
Loans to Related Parties	35.69	35.69
Loans and Advances to Employees	0.36	0.38
Other Loans and advances	56.03	56.52
<b>Total</b>	<b>92.08</b>	<b>92.59</b>

**12 Other Current Financial Assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Recoverable	0.44	0.45
Interest Accrued on Fixed Deposits	7.21	6.08
Other Receivables	0.28	0.28
<b>Total</b>	<b>7.93</b>	<b>6.81</b>

**13 Other Current Assets**

Particulars	As at March 31, 2024		As at March 31, 2023	
Balance with GST Authorities		7.77		6.65
Unbilled Revenue	23.73		14.38	
Less: Advance received from customer	13.46	10.27	-	14.38
Advance to suppliers		7.73		7.12
Others		0.30		0.48
<b>Total</b>		<b>26.07</b>		<b>28.63</b>

**14 Share Capital**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised:</b>				
Equity Shares of Rs. 10/- each	3,50,00,000	35.00	3,50,00,000	35.00
<b>Issued, Subscribed &amp; paid up:</b>				
Equity Shares of Rs. 10/- each	2,25,30,025	22.53	2,25,30,025	22.53

**14.1 Reconciliations of the number of equity shares and amount outstanding at beginning and end of the year**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
Balance at beginning of the year	2,25,30,025	22.53	2,25,30,025	22.53
Add: Changes in Equity Share Capital	0	0	-	-
Balance at the end of the year	2,25,30,025	22.53	2,25,30,025	22.53

**14.2 Right, Preferences and restrictions attached to shares :**

The Company has only one class of Equity Shares having a par value of ₹10/- per share. Each share holder is entitle for one vote per share. In the event of liquidation, the equity share holders are entitle to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

## 14.3 Details of shares held by each shareholders holding more than 5% shares

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	% holding	Number of Shares	% holding
Valecha Investment Pvt. Ltd.	40,03,745	17.77	40,03,745	17.77
Suman Aggarwal	29,28,504	13.00	29,28,504	13.00
Hypnos Fund Limited	20,00,000	8.88	20,00,000	8.88

## 15 Other Equity

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>15.1 Securities Premium Account</b>	111.24	111.24
<b>15.2 General Reserve</b>	43.90	43.90
<b>15.3 Retained Earnings</b>	(1,250.51)	(1,130.30)
<b>15.4 Compulsory Convertible Debentures (CCD) (Unsecured)</b> <i>52,00,000 Unsecured Compulsory Convertible Debentures issued on 04.10.2012 to be converted after 10 years from the date of issue.</i>	5.20	5.20
<b>15.5 Other Comprehensive Income</b>	(1.38)	(1.43)
<b>Total</b>	<b>(1,091.55)</b>	<b>(971.39)</b>

## Nature of Reserves

## (i) Securities Premium Account

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

## (ii) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to statement of profit and loss.

## (iii) OCI - Fair Value of Financial Instrument

The company recognised resultant impact of fair valuation on financial assets and liabilities.

## 16 Non Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>Term Loans :</b>		
From Banks	21.69	20.43
<b>Unsecured</b>		
Related Parties	27.78	27.78
Others *	3.00	3.00
<b>Total</b>	<b>52.47</b>	<b>51.21</b>

\*(From erstwhile Directors and relatives of Directors)

## 16.1 Term of Repayment &amp; Security details of Borrowings

Repayment tenure & Security nature	Last installment Date	Rate of Interest	Amount Outstanding as at	
			March 31, 2024	March 31, 2023
<b>Valecha Badwani Sendhwa Tollways Limited</b> Repayable in 47 unequal quarterly installments, secured by first charge over the properties and assets along with assignment of all the revenues of the borrower from the project along with other securities	Dec-24	11.40%	26.90	31.23

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**17 Other Non Current Financial Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from Contractees - Related Parties	-	
Amount Withheld and Retention from sub-contractors	45.68	34.71
Security Deposits	0.15	0.15
<b>Total</b>	<b>45.83</b>	<b>34.86</b>

**18 Provisions**

Particulars	As at March 31, 2024	As at March 31, 2023
- Provision for Gratuity (Refer note 41B)	0.61	0.58
<b>Total</b>	<b>0.61</b>	<b>0.58</b>

**19 Deferred Tax Liabilities (Net)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Liabilities</b>		
Differences in WDV in Block of Fixed Assets as per Tax Books and Financial Books	3.77	3.77
<b>Deferred Tax Assets</b>		
Carry Forward Losses as per the Income Tax Act 1961 <i>(Recognised to the extent of Deferred tax liabilities)</i>	-	-
<b>Deferred Tax Liabilities (Net)</b>	<b>3.77</b>	<b>3.77</b>

**20 Other Non-Current Liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for contractual obligations	32.61	35.46
<b>Total</b>	<b>32.61</b>	<b>35.46</b>

**21 Borrowings**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>From Banks - Secured :</b>		
Working Capital Loans - Cash Credit Limits	242.35	242.35
Short Term Facilities	414.53	414.53
Current maturities of Long Term Borrowings <i>(Refer Note 16.1 &amp; 21.2)</i>	214.16	219.71
<b>From Others - Unsecured :</b>		
Other Short Term Loans	17.43	17.43
Current Maturities of Fixed Deposits <i>(Refer Note 21.2)</i>	22.94	22.94
<b>Related Parties</b>		
Loan from Director	-	
Valecha Engineering Ltd	-	
Valecha Badwani Sendhwa	-	
Valecha Infrastructure Ltd	-	
VLMTPL	-	
Valecha Kachcha Toll Roads Ltd	-	
<b>Others</b>	73.48	73.48
<b>Total</b>	<b>984.89</b>	<b>990.44</b>

**\*\*Note :**

1. Secured by

**Primary Security:** Pari passu charge on stock and outstanding book debts of the company

**Collateral Security:** EM on office premises at 4th Floor and part of 3rd floor of Valecha chambers, New Link Road, Oshiwara, Andheri West.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

Paripassu charge on entire plant and machinery of the company

Personal guarantees of Mr. J K Valecha, Mr. D H Valecha and Mr. U H Valecha

2. The amount is after considering the repayment on account of One Time Settlement (OTS) of Rs.3.75 Crores (Previous year Rs.3.75 Crores)

## 21.1 The Company has defaulted in repayment of working capital facilities in respect of the following :

Particulars	Period of Default	Amount of Default (As at March31, 2024)		
		Principal	Interest	Total
<b>Valecha Engineering Limited</b>				
<b>Working Capital Facilities</b>				
State Bank of India	2923 Days	193.69	42.08	235.77
Axis Bank Ltd	2932 Days	72.54	20.83	93.37
Canara Bank	3092 Days	21.16	1.93	23.09
DBS Bank India Ltd	2282 Days	26.55	0.00	26.55
<b>Total</b>		<b>313.94</b>	<b>64.84</b>	<b>378.78</b>

Working capital loans are secured by hypothecation of book debts, current assets, unencumbered plant & machinery and specific immovable properties as per the sanction terms.

Short Term Facilities from Banks are secured against the securities offered under the working capital loans.

## 21.2 The Company has defaulted in repayment of loans and interest in respect of the following

Particulars	Period of Default	Amount of Default (As at March31, 2024)		
		Principal	Interest	Total
<b>Valecha Engineering Limited</b>				
<b>Term Loan</b>				
Central Bank of India	3105 Days	35.98	13.04	49.02
Syndicate Bank	3012 Days	58.17	19.71	77.88
Yes Bank	2494 Days	6.90	1.65	8.55
State Bank of Bikaner & Jaipur (SBI)	2921 Days	12.08	3.47	15.55
<b>Machinery Loan</b>				
SREI Equipment Finance Ltd	2556 Days	17.52	10.28	27.80
<b>Fixed Deposits from Public</b>	3499 Days	22.94	-	22.94
<b>Total (a)</b>		<b>153.59</b>	<b>48.15</b>	<b>201.74</b>
<b>Valecha Infrastructure Limited</b>				
<b>Term Loan</b>				
Yes Bank	2222 Days	78.25	70.47	148.72
<b>Total (b)</b>		<b>78.25</b>	<b>70.47</b>	<b>148.72</b>
<b>Valecha Kachchh Toll Roads Ltd.</b>				
<b>Term Loan</b>				
Canara Bank	2861 Days	198.83	618.74	817.57
Indian Overseas Bank	2861 Days	161.17	257.22	418.39
<b>Total (c)</b>		<b>360.00</b>	<b>875.96</b>	<b>1,235.96</b>
<b>Total (a+b+c)</b>		<b>591.84</b>	<b>994.58</b>	<b>1,586.42</b>

## 22 Trade Payables

	As at March 31, 2024	As at March 31, 2023
Dues of Micro and Small Enterprises	-	-
Others	65.85	66.22
<b>Total</b>	<b>65.85</b>	<b>66.22</b>

\* Refer note no. 22.3 for ageing schedule

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**22.1 The details of amounts outstanding to Micro and Small Enterprises based on information available with the Company is as under :**

	As at March 31, 2024	As at March 31, 2023
a. Principal amount remaining unpaid	-	-
b. Interest due thereon remaining unpaid	-	-
c. Interest paid	-	-
d. Payment made beyond the appointed day during the year	-	-
e. Interest due and payable for the period of delay	-	-
f. Interest accrued and remaining unpaid	-	-
g. Amount of further interest remaining due and payable in succeeding years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

22.2 The Parent Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given subject to amount mentioned in above table.

**22.3 Current liabilities: Trade payables ageing**

Particulars	As at 31-3-2024				Total
	Outstanding for the following periods from the date of the transaction				
	Less than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
<b>Undisputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	13.51	3.79	10.58	37.97	65.85
<b>Disputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>13.51</b>	<b>3.79</b>	<b>10.58</b>	<b>37.97</b>	<b>65.85</b>

Particulars	As at 31-3-2023				Total
	Outstanding for the following periods from the date of the transaction				
	Less than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
<b>Undisputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	21.67	13.59	6.00	24.95	66.22
<b>Disputed:</b>					
Micro and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>21.67</b>	<b>13.59</b>	<b>6.00</b>	<b>24.95</b>	<b>66.22</b>

**23 Other Current Financial Liabilities**

	As at March 31, 2024	As at March 31, 2023
Current Maturities of lease liabilities	-	0.12
Interest Accrued and Due on Borrowings (Refer Note 16.1 & 21)	1,077.80	886.42
Earnest Money Deposit from Prospective Resolution Applicants	3.50	3.00
<b>Total</b>	<b>1,081.30</b>	<b>889.54</b>

**24 Other Current Liabilities**

	As at March 31, 2024	As at March 31, 2023
Statutory Dues	8.11	7.45
Advance from Contractees	-	0.07
<b>Total</b>	<b>8.11</b>	<b>7.52</b>

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

## 25 Provisions

	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
- Gratuity (Refer note 41B)	0.66	0.41
<b>Total</b>	<b>0.66</b>	<b>0.41</b>

## 26 Revenue from Operations

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Income from Contract and Services	57.01	93.39
Revenue from Toll collection and Annuity	13.55	20.30
<b>Total</b>	<b>70.56</b>	<b>113.69</b>

## 27 Other Income

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Interest on Fixed Deposits	1.45	0.68
Interest from Others	0.05	0.95
Lease Rental Income	-	0.40
Sundry balances written back	0.10	1.57
Excess Provision of earlier years written back	0.01	0.01
Profit on Sale of Fixed Assets	-	-
Miscellaneous Income	0.02	0.01
<b>Total</b>	<b>1.63</b>	<b>3.62</b>

## 28 Construction Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Materials Purchase	-	0.06
Sub-Contracting Expenses	52.85	97.77
Power and Fuel	0.01	0.19
Repairs, Rent & Maintenances to Plant & Machineries and Vehicles	-	0.02
Machinery Hire Charges	0.01	0.31
Site Expenses	0.17	2.92
<b>Total</b>	<b>53.04</b>	<b>101.27</b>

## 29 Changes in Inventories

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Opening Stock	0.01	0.03
Less: Closing Stock	-	0.01
<b>Total</b>	<b>0.01</b>	<b>0.02</b>

## 30 Employee Benefits Expenses

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Salaries, Wages, and Bonus	3.51	5.82
Contribution to Provident Fund, Gratuity and other funds	0.52	0.38
Welfare Expenses	0.21	0.15
<b>Total</b>	<b>4.24</b>	<b>6.35</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**31 Finance Cost**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>Interest Expenses</b>		
- Banks	198.51	173.42
- Others Parties	-	0.05
Interest cost on Security deposits	-	0.06
Interest Component of Lease Liability	0.01	0.02
Other Borrowing Cost	0.17	0.08
<b>Total</b>	<b>198.69</b>	<b>173.63</b>

**32 Other Expenses**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Rent, Rates and taxes	0.32	0.57
Rent and Hire Charges	-	0.08
Printing and stationery	0.02	0.03
Telephone and Postage	0.07	0.08
Traveling and conveyance	0.09	0.51
Electricity charges	0.23	0.24
Professional Fees	1.83	2.33
Repairs and Maintenance - Buildings	0.18	0.18
Repairs and Maintenance - Plant and Machinery	0.02	0.03
Repairs and Maintenance - Others	0.12	0.20
Repairs and Maintenance	0.34	3.14
MMR Provision	2.64	3.26
MPRDC Premium	-	0.04
Bank charges	0.01	#
Payments to Auditor	0.17	0.18
Miscellaneous expenses	0.39	0.41
<b>Total</b>	<b>6.43</b>	<b>11.28</b>

# Rs.17,596/-

**32 Auditors Remunerations**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Statutory Audit Fees	0.15	0.15
Tax Audit Fees	0.02	0.01
Certification and Other Services including Service Tax and Goods and Service Tax	-	0.02
<b>Total</b>	<b>0.17</b>	<b>0.18</b>

**33 Exceptional Items (Net)**

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Impairment/ discard of Intangible Assets	-	73.43
Impairment/ discard of Tangible Assets	-	0.13
Impairment/ discard of intangible Assets under development	-	213.83
<b>Total</b>	<b>-</b>	<b>287.39</b>

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

**34 Earnings per Share**

Particulars	2023-24	2022-23
Profit attributable to Equity Shareholders (Rs. in crores)	(197.70)	(484.97)
Weighted average Number of shares for Basic EPS (Numbers)	2,25,30,025	2,25,30,025
Weighted average Number of shares for Diluted EPS (Numbers)	2,25,30,025	2,25,30,025
Face Value of each Equity Share (in Rs.)	10.00	10.00
Basic & Diluted earning per Share (in Rs.)	(87.75)	(215.25)

**35 Contingent Liabilities**

Contingent Liabilities are not provided for and are as below :

Particulars	2023-24	2022-23
1 Outstanding Bank Guarantees	-	15.90
2 Corporate Guarantees	1,420.65	1,420.65
3 Late payment and over limit charges on credit card dues	5.89	5.89
4 Other matter not acknowledged as debt		
- Income Tax	125.93	123.93
- Goods and Services Tax	25.66	10.84

**36 Segment Reporting**

The Group operates in a single reportable segment i.e. Construction Activity, which have similar risks and returns for the purpose of Ind AS 108 on 'Operating segments'.

The Group operates in a single geographical segment i.e. domestic.

**37 CSR Expenditure**

Corporate Social Responsibility (CSR) - In view of losses during the year, expenditure on CSR is not applicable for current financial year. In Previous year, expenditure on CSR was not applicable in view of losses.

**38 Related Party Disclosures**

Disclosure as required by the Indian Accounting Standard (Ind AS)24 " Related Party Disclosures " are given below :

**List of Related Parties with whom transactions have taken place**

Relationship	Name of Related Parties
<b>Associate Companies</b>	Aryavrat Tollways Pvt. Ltd.
<b>Enterprises where KMPs have significant influence</b>	Gopaldas Vasudev Construction Pvt. Ltd. Valecha Power Ltd. Kavi Engineers and Consultants
<b>Enterprises having significant influence over the Holding Company</b>	Valecha Investment Private Limited
<b>Joint Ventures</b>	Valecha - Transtonnelstroy (JV) Valecha - VKJ (JV) Valecha - SDPL JV Valecha Shradha (JV)) Valecha - CSR (JV) Valecha - TTC (JV)
<b>Key Management Personnel (KMP)</b>	
Independent Director (up to 19-07-2023)	S N Kavi
Independent Director (up to 27-08-2022)	Tejas Deshpande
Independent Director (up to 30-09-2023)	Achal Kapoor
Independent Director (up to 30-09-2023)	Bharti Ranga
Independent Director (up to 30-09-2023)	Chetna Verma
Independent Director (up to 14-12-2023)	Swati Jain
Non-Executive Director	Lalna Takekar
Chief Executive Officer	Tarun Dutta
Company Secretary & Legal	Vijay Kumar H. Modi
Chief Financial Officer	Anil S. Korpe
<b>Relatives of Key Management Personnel</b>	P D Deshpande

Note: Related party relationship is as identified by the Group and relied upon by the Auditor.



**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**39 Details of Transactions with Related Parties**
**i. Transactions with Associate Companies / Enterprises over which KMPs having significant influence**

Particulars	2023-24	2022-23
a. Consultancy charges paid	-	0.13
b. Deposit / Loans / Repayment received during the year	0.32	13.38
c. Deposit / Loans given / Repaid during the year	0.01	14.17
d. Outstanding Balance - Amount Payable	27.78	27.78
e. Outstanding Balance - Amount Receivable	7.54	7.85

**ii. Transactions with Joint Ventures**

Particulars	2023-24	2022-23
a. Sales	26.43	19.76
b. Outstanding Balance - Amount Receivables	14.08	13.10

**iii. Transactions with Key Management Personnel (KMP)**

Particulars	2023-24	2022-23
Remuneration paid during the year	1.59	1.89
Sitting Fees	-	0.09

**iv. Transactions with relatives of Key Management Personnel (KMP)**

Particulars	2023-24	2022-23
Consultancy charges paid during the year	-	0.03

**40 The List of subsidiary companies and associate company included in the Consolidated Financial Statements are as under**

No.	Particulars	Country of incorporation	Proportion of ownership interest & voting power as at	
			31-Mar-24	31-Mar-23
	<b>Subsidiary Company</b>			
1	Valecha Infrastructure Limited	India	100%	100%
2	Valecha International (FZE)	UAE	100%	100%
3	Professional Realtors Private Limited	India	100%	100%
4	Valecha Badwani Sendhawa Tollways Limited	India	74%	74%
5	Valecha Kachchh Toll Roads Limited	India	58%	58%
6	Valecha Reality Ltd.	India	99.80%	99.80%

Note: The Holding Company did not consolidate one of its Associate Company "Aryavrat Tollways Private Limited" due to non availability of financial statements of the Associate Company.

The Holding Company has formed six joint ventures (JV) with various parties. The Company do not have any interest in the profit/loss, Assets and Liabilities of such JV thus the requirement of consolidation do not arise. Company's revenue from projects under such JV are duly recognised in the Standalone and Consolidated Financial Statements.

**Disclosure required by schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013**

Loans Given to Associate Companies / Enterprises over which KMPs having significant influence/ Enterprises having significant influence over the Holding Company	2023-24		2022-23	
	As at year end	Maximum balance during year	As at year end	Maximum balance during year
Valecha Investment Pvt. Ltd.	6.49	6.49	6.49	6.49
Valecha Power Ltd.	0.01	0.01	0.01	0.01
<b>Total</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**41 Employee Benefits**

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

**A. Defined Contribution Plan**

Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	0.11	0.11
Employer's Contribution to Employee's state Insurance	0.00	0.00
Employer's Contribution to Pension Fund	0.03	0.08

**B. Defined Benefit Plan****Gratuity:**

In accordance with the payment of Gratuity Act 1972 the Group provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India (LIC) and balance is provided on the basis of valuation of the liability by an independent actuary as at the year end.

**Major category of plan assets**

The group has taken plans from Life Insurance Corporation of India.

The following tables set out the funded status of the gratuity plans and the amounts recognised in the consolidated financial statements as at 31 March 2024 and 31 March 2023.

Particulars	2023-24	2022-23
<b>i Changes in present value of obligations</b>		
Present value of obligations as at the beginning of year	0.99	0.95
Interest cost	0.03	0.03
Current Service Cost	0.04	0.06
Past Service Cost	0.26	
Benefits Paid Directly by the Employer	-	(0.01)
Benefits Paid	-	(0.05)
Actuarial gain on obligations	(0.06)	0.01
Present value of obligations as at the end of year	1.27	0.99
<b>ii Changes in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of year	0.00	0.05
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	(0.05)
Actuarial gain on Plan assets	-	0.00
Fair value of plan assets at the end of year	0.00	0.00
<b>iii Change in the present value of the defined benefit obligation and fair value of plan assets</b>		
Present value of obligations as at the end of the year	(1.27)	(0.99)
Fair value of plan assets as at the end of the year	0.00	0.00
Net (liability) / asset recognized in balance sheet	(1.27)	(0.99)

**Amount recognised in the statement of profit and loss under employee benefit expenses.**

Particulars	2023-24	2022-23
<b>Expenses Recognised in statement of Profit &amp; Loss</b>		
Current Service cost	0.04	0.06
Interest Cost	0.03	0.03
Past Service cost	0.26	-
Expected return on plan assets	-	-
Net Actuarial gain recognised in the year	-	-
Expenses recognised in statement of Profit & Loss Account	0.33	0.09

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**Amount recognised in the statement of other comprehensive income (OCI).**

Particulars	2023-24	2022-23
<b>Actuarial Gain/Loss recognized</b>		
Actuarial (gain)/losses on obligation for the year	(0.06)	0.01
Return on Plan Asset, excluding Interest Income	-	(0.00)
Change in Asset ceiling	-	-
Net (Income)/Expense for the period recognized in OCI	(0.06)	0.01

**Principal actuarial assumptions at the Balance Sheet date**

Particulars	2023-24	2022-23
Expected Return on Plan Assets	7.19%	7.39%
Rate of discounting	7.19%	7.39%
Rate of Salary Increase	8.00%	8.00%
Rate of employee turnover	10.00%	10.00%
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Mortality Rate after employment	N.A.	N.A.

**42 Deferred taxes not recognised**

In absence of reasonable certainty, the Group has not recognised Deferred Tax Assets to the extent mentioned below in the table.

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets in relation to :		
Carried Forward Losses	18.95	17.46
Property, plant and equipment/Investment Property/Other Intangible Assets	1.46	1.70
<b>Total</b>	<b>20.41</b>	<b>19.16</b>

**43 Capital management**
**Risk Management**

The objectives when managing capital are to safeguard the ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The management sets the amounts of capital required in proportion to risk. The Group manages its capital structure and adjusts it in light of changes in economic conditions and risk characteristics of the underlying assets.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

(Rupees in Crores)

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowing	2,115.16	1,928.07
Total equity	(1,684.64)	(1,487.00)
<b>Total Capital (Borrowing and Equity)</b>	<b>430.52</b>	<b>441.07</b>
Gearing Ratio	(1.26)	(1.30)

- (i) Borrowings represents total borrowings (non-current & current).
- (ii) Equity comprises of all components including other comprehensive income.

During the year, the Group's strategy was to monitor and manage the use of funds whilst developing business strategies.

The Group is not subject to any externally imposed capital requirements.

**44 Financial Risk Management**

A wide range of risks may affect the Group's business and financial results. Amongst other risks that could have significant influence on the Group are market risk, credit risk and liquidity risk.

The Board of Directors of the Group manage and review the affairs of the Group by setting up short term and long-term budgets by monitoring the same and taking suitable actions to minimise potential adverse effects on its operational and financial performance.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

**44.1 Market risk**

The Group is primarily exposed to the following market risks.

**44.1.1 Foreign Currency risk management** - The Group does not have any foreign currency risk.

**44.1.2 Interest rate risk management**

Out of total borrowings, large portion represents current borrowings and all the borrowings are with fixed interest rate. And accordingly the Company is not exposed to interest rate risk. However, the Company continuously monitoring over all factors influence rating and also factors which influential the determination of the interest rates by the banks to minimize the interest rate risks.

**44.1.3 Price Risk**

The company is constantly exposed to market inflation risk. The price of direct cost and overhead projected before execution of project are substainally increased till the completion of project. However company is eligible to claim price escalation amount from the client as per the terms and condition mentioned in tender document which varies for tender to tender.

**44.2 Credit management**

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The Group has a low credit risk in respect of its trade receivables, its major customers being autonomous agencies of Government and Public Sector Undertakings. However, as Group grows its customer base, it will experience an increased credit risk environment. The Group is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with major financial institutions.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 504.06crores (₹496.36 crores for March 31, 2023), being the total of the carrying amount of the balances with banks, bank deposits, investments (excluding equity investments), trade receivables, loans given and other financial assets.

**44.3 Liquidity risk management**

Liquidity risk refers to the risk that the Group may not be able to meet its financial obligations timely.

Management monitors rolling forecasts of the Group's liquidity position (comprising of undrawn bank facilities and cash and cash equivalents) on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below analyses the maturity profile of the Company's financial liabilities. The following break up is based on the remaining period at the balance sheet date to the contractual maturity date. The liquidity continues to remain under stress. The Company is going through a very tight liquidity situation resulting in sub-optimal level of operations thereby impacting profitability. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	2023-24			2022-23		
	Less than 1 year	Between 1 and 5 years	Total	Less than 1 year	Between 1 and 5 years	Total
a. Borrowings	2,062.69	52.47	2,115.16	1,876.86	51.21	1,928.07
b. Trade Payables	65.85	-	65.85	66.22	-	66.22
c. Other Financial Liabilities	1,081.30	45.83	1,127.13	889.54	34.86	924.40
<b>Total</b>	<b>3,209.84</b>	<b>98.30</b>	<b>3,308.14</b>	<b>2,832.62</b>	<b>86.07</b>	<b>2,918.69</b>

**44.4 Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"****44.4.1 Category-wise classification for applicable financial assets:**

Particulars	Note	As at 31-Mar-24	As at 31-Mar-23
<b>Measured at fair value through Other Comprehensive Income (FVTOCI)</b>			
Investment in equity shares	4	0.05	0.05
<b>Measured at amortised cost:</b>			
Security Deposits - Non Current	5	88.70	80.19
Security Deposits - Current	8	130.17	126.83
Loans	11	92.08	92.59
Trade receivables	8	174.56	176.07
<b>Total</b>		<b>485.56</b>	<b>475.73</b>

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

**44.4.2 Category-wise classification for applicable financial liabilities:**

Particulars	Note	As at 31-Mar-24	As at 31-Mar-23
<b>Measured at amortised cost:</b>			
Borrowings - Non current	16	51.21	51.21
Borrowings - Current (Short Term)	21	747.79	747.79
Borrowings - Current maturities of long term borrowings & fixed deposits	21 & 23	1,314.90	1,129.07
Trade payables	22	53.84	53.70
Retention money from Sub-contractors	22	12.01	12.52
<b>Measured at fair value through Other Comprehensive Income (FVTOCI)</b>			
		-	-
<b>Total</b>		<b>2,179.75</b>	<b>1,994.29</b>

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**45 Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-3-2024:**

No.	Name of the Company	Net Assets		Share in Profit/ (Loss)		Share in OCI		Share in total comprehensive income	
		As % of consol	Amt.	As % of consol	Amt.	As % of consol	Amt.	As % of consol	Amt.
<b>Parent</b>									
1	Valecha Engineering Limited	-1.9%	20.27	1.2%	(1.50)	100.0%	0.06	1.2%	(1.44)
<b>Subsidiaries</b>									
2	Valecha Infrastructure Limited	21.8%	(232.63)	8.3%	(10.03)	0.0%	-	8.3%	(10.03)
3	Valecha International (FZE)	0.0%	0.31	0.0%	-	0.0%	-	0.0%	-
4	Professional Realtors Pvt. Ltd.	0.0%	(0.24)	0.0%	(0.00)	0.0%	-	0.0%	(0.00)
5	Valecha Badwani Sendhawa Tollways Limited	1.4%	(14.92)	3.7%	(4.45)	0.0%	-	3.7%	(4.45)
6	Valecha Kachchh Toll Roads Limited	128.9%	(1,378.25)	151.2%	(181.72)	0.0%	-	151.2%	(181.72)
7	Valecha Reality Limited	0.0%	(0.27)	0.001%	(0.00)			0.001%	(0.00)
	<b>Total</b>	<b>150.2%</b>	<b>(1,605.72)</b>	<b>164.4%</b>	<b>(197.70)</b>	<b>100.0%</b>	<b>0.06</b>	<b>164.5%</b>	<b>(197.64)</b>
	CFS Adjustment and elimination	7.4%	(78.92)	0.0%	-	0.0%	-	0.0%	-
	Minority	-57.6%	615.62	-64.4%	77.48			-64.5%	77.48
	<b>Total</b>	<b>100.0%</b>	<b>(1,069.02)</b>	<b>100.0%</b>	<b>(120.22)</b>	<b>100.0%</b>	<b>0.06</b>	<b>164.5%</b>	<b>(120.16)</b>

- 46** Hon'ble, NCLT, Mumbai, passed Order dated 21.10.2022 in Company Petition no. CP (IB) No.594/MB-IV/2021 filed by STATE BANK OF INDIA, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against the Holding Company, Corporate Debtor/Respondent, for initiating Corporate Insolvency Resolution Process (CIRP).

Mr. Anurag Kumar Sinha, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IP-P00427/2017-18/10750] has been appointed as Interim Resolution Professional (Later on confirmed as Resolution Professional (RP) by CoC), to carry out the functions as mentioned under Insolvency and Bankruptcy Code, 2016

The RP filed an application bearing IA No. 5819(MB) of 2023 in the Company Petition under Section 30(6) of the Code before the Hon'ble NCLT for its consideration and approval of the Resolution Plan. The same is pending for approval before Hon'ble NCLT Mumbai.

In terms of Sections 14(4) and 31(3) of the Code, until the resolution plan is approved by the Hon'ble NCLT, the moratorium shall continue to be in effect and accordingly, the RP shall, continue to manage operations of the Holding Company on a going concern basis during the CIRP.

- 47** The above audited financial statements were prepared by the management of the Holding Company and RP took the same on record basis. The Statutory Auditors have carried out the Audit of the Financial Statements for the year ended March 31, 2024 vide their report dated May 30, 2024.

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

- 48** With respect to the financial statements for the year ended March 31, 2024, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers:
- The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
  - No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
  - The RP, in audit of the financial statements and while signing this financial statements, has relied upon the assistance provided by the Key Managerial Personnel ("KMP") of the Corporate Debtor, and representations and statements made by the KMP of the Corporate Debtor, in relation to these financial statements. The financial statements of the Corporate Debtor for the year ended March 31, 2024 have been taken on record by the RP solely on the basis of and on relying the aforesaid representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in the conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the financial statements and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein.
- 49** Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Holding Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional(RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code, 2016 for initiation of CIRP.
- The Holding Company has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Holding Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the account of VEL during CIRP.
- 50** Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Holding Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by the Holding Company has been invoked by the secured financial creditors of VLMTPL. However, the Holding Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Holding Company.
- 51** Corporate Guarantees of Rs. 168.81 Crores given by the Holding Company have also been invoked by the respective secured financial creditors of one subsidiary and one step down subsidiary. However, the Holding Company has not made any additional provision in this regard in view of the likely resolution in CIRP of the Holding Company.
- 52** The Holding Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years on account of escalation and various other reasons which are under consideration and deliberation before various authorities. The Holding Company has not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans extended to various related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs.33.87 crores as at March 31, 2024, in view of ongoing CIRP Proceedings against the Holding Company where Resolution Plan submitted by Resolution Applicant for revival of the Holding Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.
- 53** The Holding Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Holding Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Holding Company continues to not recognise the interest payable on its borrowings during the current year ended March 31, 2024 in view of likely resolution in CIRP of the Holding Company.
- The Holding Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.
- 54** The Holding Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Holding Company, the Holding Company has not provided any further interest on these outstanding overdue deposits in Prior years. The Holding Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of submission of resolution plan and likely resolution in CIRP of the Holding Company.
- 55** The Holding Company has Other Non Current Assets as at March 31, 2024 includes Rs 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments.
- 56** The Holding Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the year ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in note 52 above, balances with revenue authorities of Rs. 8.33 crores referred in note 55 above] and total liabilities of Rs. 26.70 crores as at March 31, 2024.

## Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024

(₹ in Crores)

- 57** The Holding Company has one in-operative and dormant Bank account for which no bank statements are available with the Holding Company as on March 31, 2024. The Holding Company is in the process of obtaining the statements of such inoperative and dormant bank account.
- 58** The accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities of the Holding Company are subject to confirmations, reconciliations, and adjustments.
- 59** During the year ended March 31, 2024, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Holding Company. However, the Holding Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Holding Company.
- 60** There are various Legal cases filed by/ against the Holding Company. Since the cases are ongoing and the management believes that they have a strong case. The Holding Company do not foresee any material impacts on the financial statement of the Holding Company.
- 61** Valecha Realty Limited (VRL) has given a loan amounting to Rs 6.51 crores to M/s SVK Arcade LLP which is long outstanding in the Books of Accounts. VRL is not recognizing & receiving any interest on such loan and has neither made any provision for the loan amount outstanding.
- VRL has received loans from Valecha Engineering Limited ("VEL") and Valecha Infrastructure Ltd ("VIL") to the tune of Rs. 0.28 Crores and Rs. 6.52 Crores respectively. VRL has not paid any interest on the same nor has it made any provisioning of the interest payable. VEL has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.
- 62** Hon'ble, NCLT, Mumbai, passed Order dated 09.10.2023 in Company Petition no. CP (IB) 360(MB)/2023 filed by Canara Bank, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against Valecha Kachchh Toll Roads Limited (VKTRL), Corporate Debtor, for initiating Corporate Insolvency Resolution Process (CIRP).
- Mr. Avil Jerome Menezes, a Registered Insolvency Professional having Registration Number [IBBI/IPA-001/IPP00017/2016-17/10041] has been appointed as Interim Resolution Professional (IRP)(later on confirmed as RP by Committee of Creditors (CoC)), to carry out the functions as mentioned under Insolvency & Bankruptcy Code, 2016 for running the CIRP of the Company. Further Resolution plan for revival of the company has been submitted by Resolution Applicant in reply to the invitation for expression of interest dated 05.12.2023 filed by the RP, the resolution plan submitted is under review and yet to be approved by the CoC as on the date of the audit report.
- The accumulated losses incurred in the current year as well as in the past years have resulted in erosion of Company's Net worth. However, in view of the fact that CIRP has been initiated against the Company and resolution plan submitted is under review which is yet to be approved by CoC and moreover, as per provisions of IBC, 2016, the company is to be kept as a going concern, and hence audited financial statements are prepared assuming that it will continue as a going concern.
- Also, it has continued defaulted in repayment of its financial obligation including interest and GSRDC had terminated the contract with the Company on 23.02.2023 and had taken over control of its toll operations. Further GSRDC has also invoked arbitration proceedings vide letter dated 07.03.2023 during the pendency of the conciliation process which the Company has strongly opposed and have asked for completion of conciliation process before invoking of arbitration clause. The Company is also in the process to submit an upward revised Statement of Claims for the period upto and including 23.02.2023. Since GSRDC has taken over the control of toll operations, the Company has provided for impairment loss on Tangible assets, Intangible assets and Intangible assets under development aggregating to Rs.342.68 Crores and shown as "Exceptional Items" under Statement of Profit and Loss during previous year.
- As per the communication with Resolution Professional the matter is ongoing at Gujarat High Court and the next date for hearing is scheduled for 05th July 2024.
- 63** During the year Valecha Infrastructure Limited (VIL) has incurred substantial losses mainly due to interest amount booked on Yes Bank's Term Loan. VIL has made strategic investments in its subsidiary Valecha Badwani Sendhwa Tollways Limited and expects improved performance in future, which will in turn increase the profitability of VIL. Hence the financial statements have been prepared assuming that VIL will continue as going concern. No adjustments are, hence, made in financial statements that might result from the outcome of this uncertainty.
- 64** The accumulated losses incurred in the past years have resulted in erosion of Group's peak Net worth. However, in view of the fact that CIRP has been initiated against the Holding Company which is likely to result in resolution of the Holding Company and since as per provisions of IBC, 2016, as the Holding Company is to be kept as a going concern, audited financial statements are prepared assuming that it will continue as a going concern.
- 65** During the ongoing CIRP of the Holding Company, the RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Holding Company. However, pending receipt of final order, the Holding Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors. Accordingly, the above audited financial statements are drawn on the basis of figures appearing in the books of accounts of the Holding Company as on March 31, 2024.
- 66** (A) No proceeding has been initiated or pending against the Holding Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- (B) The Holding Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (C) The Holding Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Notes forming part of the consolidated financial statements as at and for the year ended March 31, 2024**

(₹ in Crores)

- (D) There were no transactions relating to previously unrecorded income that have been surrendered and disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (E) The Holding Company does not have any transactions with companies struck off.
- (F) The Holding Company has not advanced or loaned to or invested in funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (G) The Holding Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (H) The Holding Company has been declared as wilful defaulter by Canara Bank in 2021 and Central Bank of India in 2019.
- 67** The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials are stated as Rs. in Crores except otherwise stated.

In terms of our Report attached

**For Bagaria & Co. LLP**

Chartered Accountants

FRN : 113447W/ W-100019

**For and on behalf of Valecha Engineering Limited**

**Vinay Somani**

Partner

Membership No. 143503

**Anurag Kumar Sinha**

Resolution Professional

IBBI/IPA – 001/IP – P00427/2017-18/10750

**Tarun Dutta**

Chief Executive Officer

Place : Mumbai.

Date : 30th May, 2024

**Vijay Kumar H. Modi**

Company Secretary & Legal

Membership No. FCS 1831

**Anil S. Korpe**

Chief Financial Officer



**ANNEXURE I**

**Statement on Impact of Audit Qualifications**

(For audit report with modified opinion ) submitted along-with Annual Audited Financial Results (Consolidated)

**Statement on Impact of Audit Qualifications for the Financial Year Ended March 31, 2024**

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment ) Regulations, 2016]

I.	Sr. no.	Particulars	Audited Figures (as reported before adjusting for qualifications) Rs in Crores	Adjusted Figures (audited figures after adjusting for qualifications) Rs. In Crores
	1	Turnover / Total Income	72.19	72.19
	2	Total Expenditure	269.89	269.89
	3	Exceptional Items	-	1,467.20
	4	Net Profit/(loss) before OCI	(197.70)	(1,664.90)
	5	Earnings Per Share- Basic	(87.75)	(738.97)
	6	Total Assets	591.46	558.31
	7	Total Liabilities	2,276.10	3,710.15
	8	Net Worth	(1,684.64)	(3,151.84)
	9	Any Other Financial Item		

**II. Audit Qualification (each audit qualification separately) :**

**1 a. Details of Audit Qualification :**

- i. As explained in Note No. 49 to the Consolidated Statement, Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench has passed an order dated 09th October 2023 for initiation of the Corporate Insolvency Resolution Process ("CIRP") in respect of Valecha Kachchh Toll Roads Limited (VKTRL), a subsidiary of the Holding Company, under the provisions of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Avil Jerome Menezes as Interim Resolution Professional ("IRP") (later on confirmed as Resolution Professional(RP) by Committee of Creditors (CoC)) to carry out the functions as mentioned under I & B Code for initiation of CIRP.

Valecha Engineering Limited (VEL) has given Corporate Guarantees of Rs.990.70 Crores for the loans availed by VKTRL which have been invoked by the secured financial creditors of VKTRL. However, the Holding Company has not made any provision in this regard in view of initiation of CIRP against VKTRL and also in view of likely resolution of the Account of Valecha Engineering Limited during CIRP.

Had the Holding Company made provision towards impairment of such Corporate Guarantees to VKTRL, the Net Loss of the Company would have increased by Rs 990.70 Crores.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Holding Company has not made any provision for invocation of Corporate Guarantees in view of initiation of CIRP against VKTRL and also in view of likely resolution of the account of Holding Company during CIRP.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

**2 a. Details of Audit Qualification :**

- ii. As explained in Note No. 50 to the Consolidated Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Holding Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. As informed by Liquidator of VLMTPL, all the assets of VLMTPL have been auctioned except Income Tax receivable and security deposit of sales tax and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Further, Corporate Guarantees of Rs.261.14 Crores given by VEL has been invoked by the secured financial creditors of VLMTPL. However, the Holding Company has not made any additional provision in this regard in view of likely resolution in CIRP of the Company.

Had the Holding Company made provision towards impairment of such Corporate Guarantees to VLMTPL, the Net Loss of the Company would have increased by Rs 261.14 Crores.

**b. Type of Audit Qualification :** Qualified Opinion

**c. Frequency of qualification :** Repetitive

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Holding Company has not made any provision in this regard in view of likely resolution in CIRP of the Holding Company.

**e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

### 3 a. Details of Audit Qualification :

iii. The Consolidated financial statements include goodwill arising on consolidation amounting to Rs. 1.80 Crores which has not been tested for impairment inspite of the losses and sub-optimal operations of the Group. In the absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of non-provision of impairment on goodwill as referred above.

Had the Holding Company made provision towards impairment of Goodwill, the Net Loss of the Company would have increased by Rs. 1.80 Crores.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Holding Company has not made any provision in this regard in view of likely resolution in CIRP of the Holding Company.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

### 4 a. Details of Audit Qualification :

iv. As explained in Note 51 to the Consolidated Statement, Corporate Guarantees aggregating to Rs.168.81 crores to Banks on behalf of one Subsidiary Company and one Step-down Subsidiary Company has been invoked by the respective secured financial creditors of the above mentioned subsidiary and step down subsidiary. However, no provision has been made by the Holding Company in this regard in view of likely resolution in CIRP of the Holding Company.

Had the Holding Company made provision towards impairment of Corporate Guarantees, the Net Loss of the Company would have increased by Rs. 168.81 Crores.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Holding Company has not made any provision in this regard in view of likely resolution in CIRP of the Holding Company.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

### 5 a. Details of Audit Qualification :

v. As explained in Note No. 52 to the Consolidated Statement, the Holding Company has not evaluated expected credit losses for outstanding Trade Receivables of Rs. 303.09 crores which includes Rs. 99.45 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Holding Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate Company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 26.11 crores and advances to suppliers amounting to Rs. 33.87 crores as at March 31, 2024.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the consolidated financial statements for the year ended March 31, 2024.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Holding Company has not made any provision in view of ongoing CIRP proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

**6 a. Details of Audit Qualification :**

- vi. As explained in Note No. 53 to the Consolidated Statement, the Holding Company has not recognised interest payable on its borrowings from Banks and NBFC's since April 1, 2018 in view of the settlement proposals pursued in the prior year's wherein the Holding Company expected a settlement at an amount lower than the liabilities already recorded in books of accounts. The Holding Company continues to not recognise the interest payable on its borrowings during the current quarter and year ended March 31, 2024 in view of likely resolution in CIRP of the Holding Company.

The Holding Company has also not provided for interest liability which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2024.

In absence of any further detailed information, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of non-provision of interest on loans and statutory dues as referred above.

- b. **Type of Audit Qualification :** Qualified Opinion  
 c. **Frequency of qualification :** Repetitive  
 d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**  
 e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

- (i) The Holding Company has not made any provision towards interest payable on its borrowing and towards delayed payments/ non-payment of dues towards tax deducted at source in view of likely resolution of the Holding Company in CIRP period.

**7 a. Details of Audit Qualification :**

- vii. As explained in Note No. 54 to the Consolidated Statement, the Holding Company has an outstanding principal liability of Rs. 22.94 crores as at March 31, 2024 payable to public fixed deposit holders. In view of the already weak financial position of the Holding Company, it has not provided any further interest on these outstanding overdue deposits in prior years. The Holding Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of likely resolution in CIRP of the Holding Company.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the consolidated financial statements for the year ended March 31, 2024.

- b. **Type of Audit Qualification :** Qualified Opinion  
 c. **Frequency of qualification :** Repetitive  
 d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**  
 e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

- (i) The Holding Company continues to not recognise any interest payable on the outstanding liability payable to Fixed Deposit holders in view of submission of resolution plan and likely resolution of the Holding Company in the CIRP period.

**8 a. Details of Audit Qualification :**

- viii. As explained in Note No. 55 to the Consolidated Statement, Other Non-Current Assets as at March 31, 2024 includes Rs. 31.35 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on the consolidated financial statements for the year ended March 31, 2024.

Had the Holding Company made provision towards such indirect taxes from Government Authorities, the Net Loss of the Company would have increased by Rs 31.35 Crores.

- b. **Type of Audit Qualification :** Qualified Opinion  
 c. **Frequency of qualification :** Repetitive  
 d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

The Holding Company has not made any provision in view of likely resolution of the Holding Company in the CIRP period.

- e. **For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

**9 a. Details of Audit Qualification :**

- ix. As explained in Note No. 56 to the Consolidated Statement, the Holding Company has many project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Holding Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the quarter ended March 31, 2024. Such Project Sites comprises total assets of Rs. 84.36 crores [including Trade Receivables Rs. 70.46 crores and loans to other parties Rs. 5.54 crores referred in point (v) above, balances with revenue authorities of Rs. 8.33 crores referred in point (viii) above] and total liabilities of Rs. 26.70 crores as at March 31, 2024. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on the consolidated financial statements for the year ended March 31, 2024 had the said units been audited by us.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Holding Company has not made any provision in view of ongoing CIRP proceedings against the Holding Company where Resolution Plan submitted by Resolution Applicant for revival of Holding Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

**10 a. Details of Audit Qualification :**

x. As explained in Note no 57 to the Consolidated Statement, the Holding Company has one in-operative and dormant Bank accounts for which no bank statements are available with the Holding Company. The Holding Company is in the process of obtaining the statements of such inoperative and dormant bank accounts.

In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the consolidated financial statements for the year ended March 31, 2024.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Holding Company is in the process of obtaining the statement of such inoperative and dormant bank account.

**11 a. Details of Audit Qualification :**

xi. As explained in Note no 58 to the Consolidated Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the consolidated financial statements for the year ended March 31, 2024, the amounts whereof are presently not ascertainable.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** Repetitive

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**

e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**

(i) The Holding Company has not made any provision in view of ongoing CIRP proceedings against the Company where Resolution Plan submitted by Resolution Applicant for revival of Holding Company has already been approved by Committee of Creditors (CoC) and thereafter it has been filed with the Hon'ble NCLT for the final approval.

**12 a. Details of Audit Qualification :**

xii. As explained in Note no 59 to the Consolidated Statement, bank guarantees aggregating to Rs.13.40 crores have been invoked by customers of the Holding Company. However, the Holding Company has not provided for such invocation of bank guarantees in view of likely resolution in CIRP of the Holding Company.

Had the Holding Company made provision towards Invocation of bank guarantees, the Net Loss of the Company would have increased by Rs 13.40 Crores.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification :** First time

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views :**

(i) The Holding Company has not provided for such invocation of bank guarantees in view of likely resolution of the Holding Company in CIRP period.

e. **For Audit Qualification(s) where the impact is not quantified by the auditor : NA**

**13 a. Details of Audit Qualification :**

xiii. As explained in Note no 65 to the Consolidated Statement, RP has received claims from various operational and financial creditors. In certain instances, the amount of the claim admitted by RP under CIRP differs from the amount reflecting in the books of accounts of the Holding Company. However, pending receipt of final order, the Holding Company has not made any reconciliation / adjustments in its books of account vis-à-vis the claims made by the Creditors.

In absence of receipt of the final order, we are unable to comment upon the resultant impact, if any, on the consolidated financial statements for the year ended March 31, 2024, which may arise on account of giving the order effect towards the reconciliations/ adjustments in the books of accounts.

- b. **Type of Audit Qualification :** Qualified Opinion
- c. **Frequency of qualification :** First time
- d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**
- e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**
- (i) The Holding Company has not made any reconciliation / adjustment in the books of accounts in view of ongoing CIRP and likely resolution of the Holding Company in CIRP period.
- 14 a. **Details of Audit Qualification :**
- xiv. There are various Legal Cases filed by / against the Holding Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the consolidated financial statements for the year ended March 31, 2024, the amounts whereof are presently not ascertainable.
- b. **Type of Audit Qualification :** Qualified Opinion
- c. **Frequency of qualification :** Repetitive
- d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**
- e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**
- (i) The Holding Company has not made any provision in view of likely resolution of the Holding Company in CIRP period.
- 15 a. **Details of Audit Qualification :**
- xv. As explained in Note No 61 to the Consolidated Statement, Valecha Reality Limited (VRL), (an Associate Company) has given a loan amounting to Rs. 6.51 crores to M/s SVK Arcade LLP which is long outstanding in the Books of Accounts. VRL is not recognizing and receiving any interest on such loans neither has it made any provision for the loan amount outstanding. Further, the Company VRL has received loans from Valecha Engineering Limited and Valecha Infrastructure Limited (VIL) to the tune of Rs 0.28 crores and Rs. 6.52 crores respectively. Valecha Engineering Limited has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.
- b. **Type of Audit Qualification :** Qualified Opinion
- c. **Frequency of qualification :** Repetitive
- d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA**
- e. **For Audit Qualification(s) where the impact is not quantified by the auditor :**
- (i) The Holding Company has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.

**Resolution Professional**

Mr. Anurag Kumar Sinha  
 (IBBI/IPA-001/1P-P00427/2017-18/10750  
 AFA No A41/10750/02/211223/105243)

**Chief Executive Officer**

Mr. Tarun Dutta

**Chief Financial Officer**

Mr. Anil S. Korpe

**Company Secretary & Legal**

Mr. Vijay Kumar H. Modi

**Auditors For Bagaria & Co. LLP**

Chartered Accountants  
 Firm Registration No. - 113447W/W-100019  
 Vinay Somani  
 Partner  
 Membership No. 143503

**Place : Mumbai**

**Date : 30/05/2024**



# VALECHA ENGINEERING LIMITED

CIN: L74210MH1977PLC019535

Reg. Office: Valecha Chambers, 4<sup>th</sup> Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai 400 053

Tel: 022 4263 3200 E-mail: investor.relations@valecha.in Website: www.valechaeng.com

---

## ATTENDANCE SLIP

### 47<sup>nd</sup> Annual General Meeting

I HEREBY RECORD MY/OUR PRESENCE AT THE **47<sup>ND</sup> ANNUAL GENERAL MEETING** OF THE COMPANY BEING HELD ON FRIDAY THE 27.12.2024 AT 03:30 P.M. AT, VALECHA CHAMBERS 4<sup>TH</sup> FLOOR NEW LINK RAOD, ANDHERI(WEST) MUMBAI - 400 0053, INDIA.

Folio/DP ID & Client ID			
Name and Address of the Member		Signature	
Name of the Proxy Holder		Signature	

-----cut here-----

1. Only Member/Proxy Holder can attend the Meeting
2. Member/Proxy Holder should bring his/her copy of the Annual Report for reference at the Meeting





# VALECHA ENGINEERING LIMITED

CIN: L74210MH1977PLC019535

Reg. Office: Valecha Chambers, 4<sup>th</sup> Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai 400 053

Tel: 022 4263 3200 E-mail: investor.relations@valecha.in Website: www.valechaeng.com

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members	
Registered Address	
Email ID:	
Folio No/ DP ID-Client ID	

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

- (1) Name: ..... Address: .....  
Email ID: ..... Signature: ..... or failing him
- (2) Name: ..... Address: .....  
Email ID: ..... Signature: ..... or failing him
- (3) Name: ..... Address: .....  
Email ID: ..... Signature: ..... or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 47<sup>th</sup> Annual General Meeting of the Company, to be held on **FRIDAY THE 27.12.2024 AT 03:30 P.M. AT, VALECHA CHAMBERS 4<sup>TH</sup> FLOOR NEW LINK RAOD, ANDHERI(WEST) MUMBAI - 400 0053, INDIA** and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Particulars	For	Against
1	Consider and Adopt:		
	a. Audited Financial Statements as on <b>31.03.2024</b> , Reports of the Board of Directors and Auditors thereon.		
	b. Audited Consolidated Financial Statements as on <b>31.03.2024</b> and Report of the Auditors thereon.		
2	To appoint Statutory Auditors and to fix their remuneration for 1 year		
3 & 4	To appoint Shri Shashikant G Bhoge as Director and Executive Director of the Company		
5 & 6	To appoint Shri Bhushan R Sable as Director and Executive Director of the Company		
7	To appoint Shri Pradeep K Khandagale as Non-executive Director of the Company		
8	To appoint Shri Ashish Mittal as Non-executive Director and Independent Director of the Company		
9	To appoint Shri Vipul Bansal as Non-executive Director and Independent Director of the Company		
10	To appoint Ms Ashlesha S Raythattha as Non-executive Director and Independent Director of the Company		
11	Appointment of Big Share Services Private Limited as Registrar & Share Transfer Agent		

# VALECHA ENGINEERING LIMITED

CIN: L74210MH1977PLC019535

Reg. Office: Valecha Chambers, 4<sup>th</sup> Floor, Plot No. B-6, Andheri New Link Road, Andheri (West), Mumbai 400 053

Tel: 022 4263 3200 E-mail: investor.relations@valecha.in Website: www.valechaeng.com

Signed this ..... day of .....2024

Signature of Shareholder: .....

Signature of Proxy holder(s): .....

Affix  
Revenue  
Stamp

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, explanatory statement and notes please refer to the notice of the 47<sup>nd</sup> Annual General Meeting.
3. A Proxy need not be a member of the Company.
4. A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights.
5. A member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person shall not act as proxy for any other member.
6. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion to the vote of the other joint holders. Seniority shall be determined by the order in which the name stand in the register of members.



**VALECHA ENGINEERING LIMITED**

CIN: L74210MH1977PLC019535

**Reg. Office:** Valecha Chambers, 4<sup>th</sup> Floor, Plot No. B-6,  
Andheri New Link Road, Andheri (West), Mumbai 400 053 **Tel:** 022 4263 3200 **E-mail:**  
investor.relations@valecha.in **Website:** www.valechaeng.com

**BALLOT PAPER**

**[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]**

1. Name and Registered address of the sole/first named member:
2. Name(s) of the Joint holder (if any):
3. Registered Folio No./ DP ID No. and client ID No.:
4. Number of share(s) held:
5. EVEN (Electronic Voting Event Number) :
6. User ID:
7. Password:

**I hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the 47<sup>nd</sup> Annual General Meeting of the Company to be held on Friday the 27.12.2024 by sending my/our assent or dissent to the said resolution in the following manner:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>For</b>	<b>Against</b>
1	Consider and Adopt:		
	a. Audited Financial Statements as on <b>31.03.2024</b> , Reports of the Board of Directors and Auditors thereon.		
	b. Audited Consolidated Financial Statements as on <b>31.03.2024</b> and Report of the Auditors thereon.		
2	To appoint Statutory Auditors and to fix their remuneration for 1 year		
3 & 4	To appoint Shri Shashikant G Bhoge as Director and Executive Director of the Company		
5 & 6	To appoint Shri Bhushan R Sable as Director and Executive Director of the Company		
7	To appoint Shri Pradeep K Khandagale as Non-executive Director of the Company		
8	To appoint Shri Ashish Mittal as Non-executive Director and Independent Director of the Company		
9	To appoint Shri Vipul Bansal as Non-executive Director and Independent Director of the Company		
10	To appoint Ms Ashlesha S Raythatha as Non-executive Director and Independent Director of the Company		
11	Appointment of Big Share Services Private Limited as Registrar & Share Transfer Agent		

\* Please put a tick mark (☐) in appropriate column against the resolution indicated above. In case of member/ proxy wishes his/ her vote to be used differently, he/she should indicate the number of shares under the columns 'For', 'Against'

Place:

Date:

Signature of Member

**VALECHA ENGINEERING LIMITED**

CIN: L74210MH1977PLC019535

**Reg. Office:** Valecha Chambers, 4<sup>th</sup> Floor, Plot No. B-6,  
Andheri New Link Road, Andheri (West), Mumbai 400 053 **Tel:** 022 4263 3200 **E-mail:**  
investor.relations@valecha.in **Website:** www.valechaeng.com

**GENERAL INSTRUCTIONS:**

1. This Ballot Paper is provided for the benefit of members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.
2. A Member can opt for only one mode of voting i.e. either by e-voting or through Ballot. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the Ballot Paper shall be treated as invalid.
3. For detailed instructions on e-voting, please refer the notes appended to the Notice of AGM.
4. Facility of voting through Ballot Paper shall also be made available at the venue of the AGM. Members attending the AGM, who have not cast their vote by remote e-voting or through Ballot Paper, shall be able to exercise their right at the AGM.
5. Members who have cast their vote by remote e-voting or through Ballot Paper prior to the AGM may also attend the AGM, but shall not be entitled to vote again at the AGM.

**PROCESS AND MANNER FOR MEMBERS OPTING TO VOTE BY USING BALLOT PAPER:**

6. Please complete and sign the Ballot Paper (no other Paper or photo copy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, M/s. Ragini Chokshi & Co., Practising Company Secretaries through self-addressed Business Reply envelope.
7. The Ballot Paper should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Ballot Paper should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of POA. Exercise of vote by Ballot is not permitted through proxy.
8. In case the shares are held by companies, financial institutions, trusts, bodies corporate, societies, etc; the duly completed Ballot Paper should be accompanied by a certified true copy of the relevant Board Resolution/Authorization letter.
9. Votes should be cast in case of each resolution, either in favour or against by putting the tick (v) mark in the column provided in the Ballot. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed the Member's total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.
10. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on **19.12.2024 ("Cut-Off Date")**. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, voting through Ballot Paper, or voting at the

venue of the meeting through ballot.

11. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the **19.12.2024 (“Cut-Off Date”)**, may request the Company / Registrar and Transfer Agent and obtain Ballot Paper to cast the vote or can download the same from the website of the Company at [www.valecha.in](http://www.valecha.in)
12. Duly completed Ballot Paper should reach the Scrutinizer not later than the close of working hours **(5.00 p.m.) on Thursday the 26.12.2024**. Ballot Paper(s) received after this time and date will be strictly treated as if the reply from the members has not been received.
13. A Member may request for a duplicate Ballot Paper, if so required. However, duly filed in and signed duplicate Ballot Paper should reach the Scrutinizer not later than the date and time specified in serial no. 12 above.
14. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Paper(s) will be rejected. Ballot Paper may be rejected if it is torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
15. The decision of Scrutinizer on the validity of the Ballot Paper and any other related matter shall be final.
16. The results of the voting shall be declared not later than 48 hours from the conclusion of the Annual General Meeting of the Company. The Chairman or any other person authorized by the Chairman shall declare the result of voting forthwith.
17. The Results along with the Scrutinizers Report shall be placed on the Company’s website [www.valecha.in](http://www.valecha.in) after the results are declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to BSE Limited and National Stock Exchange Limited





If undelivered, please return to:

**VALECHA ENGINEERING LIMITED**

**Registered Office:**

"Valecha Chambers", 4th Floor, Plot No. B-6, Andheri New Link Road,  
Andheri (West), Mumbai - 400 053.