

Ref : VEL/21-22/

Date: 04.02.2022

BSE Limited Corporate Relationship Dept. P.J Towers, Dalal Street Mumbai - 400 001 SCRIP CODE 532389	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 VALECHAENG
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Subject : Outcome of Board Meeting held on February 04, 2022, - Audited Standalone and Consolidated Financial Results of the Company for the Audited Financial Results (Standalone and Consolidated) of the Company for the Quarter and Twelve Months ended 31st March, 2021

Ref Our Letter No. VEL/21-22 DATED 24.01.2022

We wish to inform you that at the Board Meeting held today i.e on **February 04, 2022**, the Board of Directors of the Company approved the Audited Standalone and Consolidated Financial Results of the Company for the Quarter and Twelve Months ended **31st March, 2021**. Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements), 2015, we are enclosing herewith the following:

1. Audited Standalone Financial Results of the Company for the Quarter and Twelve Months ended **31st March, 2021**.
2. Audited Consolidated Financial Results of the Company for the Quarter and Twelve Months ended **31st March, 2021**.
3. Independent Auditor's Review Report issued by M/s Bagaria & Co. LLP Statutory Auditors of the Company on Audited Standalone and Consolidated Financial Results for the Quarter and Twelve Months ended **31st March, 2021**.

The Board Meeting commenced at **11.00 am** and concluded at 4.30 pm
Please take note of the same.

Thanking You,
Yours faithfully
For Valecha Engineering Limited



(VIJAYKUMAR MODI)
COMPANY SECRETARY & LEGAL
Encl: As above



(An ISO 9001:2015 Company) CIN: L74200MH1977PLC018635

Regd. Office: Valccha Chambers - 4th Floor, Andheri New Link Road, Andheri (West), Mumbai - 400 053.

Email: info@valccha.n Website: valcchaeng.com

STATEMENT OF ADHINTO STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

(In Crores) Except EPS

Sr. No.	PARTICULARS	Standalone				
		for the quarter ended on		for the year ended on		
		31.03.2021 [Audited]	31.03.2020 [Audited]	31.03.2021 [Audited]	31.03.2021 [Audited]	31.03.2020 [Audited]
1	Income					
	(a) Revenue from Operations	147.61	17.67	41.75	114.61	207.89
	(b) Other Income	1.25	1.01	0.57	5.32	5.70
	Total Income	148.86	18.68	42.32	119.93	213.59
2	Expenses					
	(a) Construction-Borrower	11.71	14.94	14.46	147.26	155.84
	(b) Changes in Inventories	10.71	10.12	10.06	10.11	0.72
	(c) Employee benefits Expense	1.47	1.21	1.34	5.32	7.25
	(d) Finance costs	6.71	6.02	6.16	3.16	0.92
	(e) Depreciation and amortisation Expenses	6.01	6.41	6.77	1.12	7.11
	(f) Other Expenses	17.24	6.74	1.16	12.24	4.62
	Total Expenses	53.85	47.46	40.96	189.11	231.94
3	Profit/(Loss) before share of net profit/(loss) of an associate & joint venture and exceptional items (1-2)	4.47	1.11	1.36	6.38	1.65
4	Share of net profit/(loss) of an associate's, joint venture	-	-	-	-	-
5	Profit/(Loss) before Exceptional Items and tax (1+4)	4.47	1.11	1.36	6.38	1.65
6	Exceptional Items	0.88	-	-	0.50	-
7	Profit/(Loss) before tax (5)	3.59	1.11	1.36	5.88	1.65
8	Tax Expense	-	-	-	0.42	-
	(a) Current Tax (including interest on tax paid)	-	-	-	0.42	-
	(b) Deferred Tax	-	-	-	-	-
9	Profit/(Loss) for the Period (7-8)	3.59	1.11	1.36	5.46	1.65
10	Other Comprehensive Income (OCI)					
	(a) Items that will be reclassified to profit or loss	0.25	10.32	0.18	0.27	0.00
	(b) Items that will never be reclassified to profit or loss	0.13	0.02	0.12	0.46	1.71
	Total Other Comprehensive Income	0.38	10.34	0.30	0.73	1.71
11	Total Comprehensive Income for the period (9+10)	3.97	11.45	1.66	6.19	3.36
12	Net Profit/(Loss) attributable to:					
	Members of the Company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
13	Other Comprehensive Income attributable to:					
	Members of the Company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
14	Total Comprehensive Income attributable to:					
	Members of the Company	-	-	-	-	-
	Non-controlling interest	-	-	-	-	-
15	Reserve Equity Share Capital (Face Value ₹ 100)	22.51	22.51	22.51	22.51	22.51
16	Reserve Equity Including Reserves in Reserves	-	-	-	13.54	12.47
17	Reserve for Dividend (Dividend) (Net Dividend)	-	-	-	-	-
18	Basic earnings/(loss) per share	0.62	0.19	0.79	0.56	0.13
19	Net Total earnings/(loss) per share	0.62	0.19	0.79	0.56	0.13
20	See accompanying notes to the Financial Results					



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STANDALONE BALANCE SHEET

(Rs. Crores)

Particulars	STANDALONE	
	As at 31st March 2023	As at 31st March 2022
	(Audited)	(Audited)
ASSETS		
Non Current Assets		
(a) Property, Plant & Equipment	1.28	7.07
(b) Right of use assets	-	0.08
(c) Investment Property	1.78	5.31
(d) Financial Assets	-	-
(i) Investments	42.00	42.11
(ii) Loans	-	-
(iii) Cash, Time Dep. Assets	52.42	61.57
(e) Other Non-Current Assets	9.14	72.17
Total Non Current Assets	96.28	118.36
Current Assets		
(a) Inventories	1.12	0.51
(b) Financial Assets		
(i) Other Investments	-	-
(ii) Trade Receivables	217.03	229.61
(iii) Cash & Cash Equivalents	24.37	2.35
(iv) Bank Balances other than (c)(i) above	0.35	4.65
(v) Loans	175.04	451.68
(vi) Other Financial Assets	4.64	4.07
(c) Deferred Tax Assets (net)	-	-
(d) Current Tax Assets (net)	-	-
(e) Other Current Assets	175.95	164.38
Total Current Assets	732.09	777.35
Total Asset	828.37	895.71
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	22.53	22.53
(b) Other Equity	13.64	12.47
Equity attributable to Shareholders of the Company	36.17	35.00
Non-Controlling Interest	-	-
Total Equity	36.17	35.00
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	50.78	27.15
(ii) Other Financial Liabilities	75.67	121.08
(b) Provisions	2.15	0.12
Total Non Current Liabilities	107.60	128.35
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	417.74	417.35
(ii) Trade Payables	-	-
- Total outstanding dues of creditors of non-current enterprises and financial institutions	1.51	2.50
- Total outstanding dues of creditors of non-current enterprises and financial institutions	21.00	114.61
(iii) Other Financial Liabilities	265.47	279.18
(b) Other Current Liabilities	4.61	17.07
(c) Provisions	0.86	1.58
Total Current Liabilities	694.30	753.16
Total Equity & Liabilities	828.37	895.71



VALECHA ENGINEERING LIMITED
Standalone statement of Cash Flow for the year ended March 31, 2021

(Rupees in Crores)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
	(Audited)	(Audited)
A. Cash flow from Operating activities		
Profit Before Tax	1.12	1.65
Add / (Deduct) Adjustment for :		
Depreciation and Amortization Expense	1.32	2.11
Loss / (Profit) on sale of property, plant & equipments, Investment Property (net)	1.80	-
Plant and Equipments Written Off	4.02	0.50
Provision for diminution in the value of Investment	0.05	-
Finance Cost	0.76	1.27
Guarantee Fees	-	-
Interest Income	(3.56)	(3.54)
Fair Value of Financial Instruments	-	-
Re-measurement of defined benefit plans	0.10	0.03
Re-measurement of gain/(loss) of investment/advances in foreign subsidiary	(0.48)	1.71
Rental Income from Investment Properties	(1.38)	(1.40)
Operating Profit/ (Loss) before Working Capital changes	3.75	2.33
Changes in Working Capital:		
Adjustment for (increase) / decrease in operating assets:		
Decrease in Inventories	(0.61)	0.72
(Increase)/ Decrease in Trade Receivable	12.60	79.61
(Increase) / Decrease Loans	52.85	38.04
(Increase)/ Decrease in other current assets and non-current financial assets	2.74	(79.23)
Adjustment for (increase) / decrease in operating liabilities:		
Increase/ (Decrease) in Trade Payables	(22.64)	(36.63)
Increase/(Decrease) in other current and financial liabilities (non-current)	(49.03)	(9.73)
Increase/ (Decrease) in Provisions	(0.79)	0.51
Cash Generated From / (used in) Operations	(1.13)	(4.38)
Direct Taxes (Paid)	13.40	(4.03)
Net Cash Flow from operating activities (A)	12.27	(8.41)
B. Cash Flow from Investing activities		
Capital Expenditure for Property, Plant and Equipments, Right of use assets, Investments Property, Intangible Assets including CWIP	(8.05)	(0.19)
Proceeds from disposal of Property, Plant and Equipment, Investment Property	1.86	2.64
Investments in subsidiaries	0.01	(0.02)
Interest received	3.56	3.54
Rental Income from investment property	1.38	1.40
Net Cash Flow from investing activities (B)	6.76	7.37
C. Cash flow from Financing activities		
Proceeds from/ (Repayment) of long term borrowings	3.62	0.07
Net increase / (Decrease) in Working Capital borrowings	0.14	(2.49)
Finance Cost	(0.76)	(1.22)
Net Cash Flow used in financing activities (C)	3.20	(3.69)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	22.22	(4.73)
Cash and Cash Equivalent at the beginning of the year	2.35	7.08
Cash and Cash Equivalent at the end of the year	24.57	2.35
Note: Figures in brackets represents cash outflow		



VALECHA ENGINEERING LIMITED



(INCORPORATED IN INDIA) CMC (192) (2010) 37 (1) (3) (9) 615

Regd. Office: Valecha Chambers, 4th Floor, Andheri New Link Road, Andheri (West) Mumbai - 400 053
Email: info@valecha.com Website: www.valecha.com

STATEMENT OF VALECHA ENGINEERING LIMITED - FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2021

[In Rupees] (Except PPS)

Sr. No.	PARTICULARS	Comprehensive				
		For the quarter ended on			For the year ended on	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
1	Income					
	a) Revenue from Operations	133.43	12.18	26.74	132.92	240.35
	b) Other Income	1.56	1.27	0.14	3.98	5.93
	Total Income	135.00	13.45	26.88	136.90	246.28
2	Expenses					
	a) Cost of Sales/Production	11.48	24.59	85.01	141.71	118.81
	b) Changes in Inventories	(1.73)	(9.11)	(1.09)	(0.01)	0.72
	c) Employee benefit expense	1.81	1.43	1.24	3.11	3.67
	d) Finance costs	1.4	14.2	49.47	126.99	141.97
	e) Depreciation and Amortisation Expenses	5.7	6.47	6.83	24.75	26.88
	f) Other Expenses	22.98	7.82	1.44	10.34	17.86
	Total Expenses	43.74	59.15	143.08	307.79	408.81
3	Profit / (Loss) before share of net profit (loss) of an associate's joint venture and exceptional items (1-2)	(8.74)	(45.70)	(116.20)	(170.89)	(162.53)
4	Share of net profit (loss) of an associate's joint venture	0.95	0.92	10.49	(9.00)	(0.00)
5	Profit / (Loss) before exceptional items and tax (1+4)	(7.79)	(44.78)	(105.71)	(179.89)	(162.53)
6	Exceptional items	0.54	-	-	(53.44)	-
7	Profit / (Loss) before tax (1+5)	(7.25)	(44.78)	(105.71)	(233.33)	(162.53)
8	Tax expense	-	-	-	7.02	-
	a) Current tax including surcharge and cess	-	-	-	7.02	-
	b) Deferred tax	-	-	-	-	-
9	Profit / (Loss) for the Period (7-8)	(7.25)	(44.78)	(105.71)	(226.31)	(162.53)
10	Other comprehensive income (OCI)					
	a) Items that are reclassified to profit or loss	0.05	0.05	0.13	0.55	0.01
	b) Items that are not reclassified to profit or loss	0.09	0.04	0.11	(2.48)	3.73
	Total OCI	0.14	0.09	0.24	(1.93)	3.74
11	Total Comprehensive Income for the period (9-10)	(7.11)	(44.73)	(105.47)	(228.24)	(158.79)
12	Net Profit/(Loss) attributable to:					
	Shareholders of the Company	17.90	23.37	151.89	0.99	1103.55
	Non-controlling interest	(24.01)	(21.54)	(119.73)	(154.98)	(152.94)
13	Other Comprehensive Income attributable to:					
	Shareholders of the Company	0.11	0.74	1.34	(2.70)	1.73
	Non-controlling interest	-	-	-	-	-
14	Total Comprehensive Income attributable to:					
	Shareholders of the Company	18.01	24.11	153.23	(2.71)	1105.28
	Non-controlling interest	(24.12)	(21.54)	(119.73)	(154.98)	(152.94)
15	Retained Earnings/Shareholders' Fund at the End of the Period	22.93	22.41	22.94	22.93	22.93
16	Other Equity Reserves/Reserves and Provisions	-	-	-	(395.45)	(108.71)
17	Carrying Forward of Profit/(Loss) at the beginning of the period					
	a) Equity Reserves/Reserves and Provisions	57.40	10.35	100.09	24.94	(66.40)
	b) Retained Earnings/Shareholders' Fund	(100.09)	(20.38)	(100.36)	(24.94)	(66.40)
	See accompanying notes to the Financial Results					



VALECHA ENGINEERING LIMITED



(An ISO 9001:2015 Company) CIN: 174210W419720CO1953

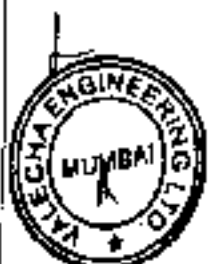
Regd. Office : Valecha Chambers, 4th Floor, Andheri New Link Road, Andheri (West), Mumbai - 400 055.

Email: info@valecha.com Website: valecha.com

CONSOLIDATED BALANCE SHEET

(₹ in Crores)

Particulars	CONSOLIDATED	
	As at 31st March 2021	As at 31st March 2020
	(Audited)	(Audited)
ASSETS		
Non-Current Assets		
(a) Property, Plant & Equipment	2.04	1.24
(b) Right of use assets	-	0.08
(c) Capital Work in Progress	-	-
(d) Investment Property	1.78	5.51
(e) Goodwill on Consolidation	1.80	1.50
(f) Other Intangible Assets	142.75	347.56
(g) Intangible Assets under development	195.39	191.30
Financial Assets		
(i) Investments	0.08	0.11
(ii) Loans	-	-
(iii) Other Financial Assets	41.42	41.52
(c) Deferred Tax Assets (Net)	-	-
(d) Other Non-Current Assets	5.55	22.78
Total Non-Current Assets	368.90	614.99
Current Assets		
(a) Inventories	1.12	0.51
(b) Financial Assets		
(i) Other Investments	-	-
(ii) Trade Receivables	214.09	227.63
(iii) Cash & Cash Equivalents	26.45	24.13
(iv) Bank balances other than (a) above	0.30	4.55
(v) Loans	184.69	205.57
(vi) Other Financial Assets	5.07	4.51
(c) Other Current Assets	106.01	102.22
Total Current Assets	537.72	569.79
Total Assets	906.62	1,184.78
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	22.53	22.53
(b) Other Equity	(592.89)	(589.52)
Equity Attributable to Shareholders of the Company	(370.36)	(566.99)
Non-controlling interest	(202.39)	(203.19)
Total Equity	(832.75)	(770.18)
Liabilities		
Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	60.63	60.00
(ii) Other Financial Liabilities	34.66	59.15
(b) Provisions	0.15	0.12
(c) Deferred Tax Liabilities (Net)	3.77	3.77
(d) Other Non-Current Liabilities	31.31	34.64
Total Non-Current Liabilities	130.52	167.68
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	733.73	729.05
(ii) Trade Payables		
Total outstanding dues of creditors of enterprises and small enterprises and	1.93	2.59
- Total outstanding dues of creditors other than enterprises and small enterprises	82.75	118.54
(iii) Other Financial Liabilities	814.54	621.09
(b) Other Current Liabilities	4.93	21.52
(c) Provisions	0.87	1.65
Total Current Liabilities	1,638.85	1,714.80
Total Equity & Liabilities	906.62	1,184.78



VALECHA ENGINEERING LIMITED
Consolidated Statement of Cash Flow For Year Ended March 31, 2021

(Rupees in Crores)

Particulars	Year Ended March 31, 2021 (Audited)	Year Ended March 31, 2020 (Audited)
A. Cash flow from Operating activities		
Profit/(Loss) Before Tax	(56.60)	(156.50)
Add / (Deduct) Adjustments for :		
Depreciation and Amortisation Expense	24.75	36.88
Recognition of control in subsidiary (note note 12)	(94.13)	-
(Profit)/ Loss on sale of fixed assets and Investment in Property (Net)	(0.04)	0.50
Provision for diminution in the value of Investment	0.05	-
Finance Cost	136.99	142.44
Interest Income	(3.56)	(3.76)
Re-measurement of Defined benefit plans	0.10	0.03
Re-measurement of gain/(loss) of investment/advances in foreign subsidiary	(0.46)	1.71
Rental Income from Investment Properties	(1.36)	(1.49)
Operating Profit/(Loss) before Working Capital changes	8.69	19.89
Changes in Working Capital:		
Adjustment for (increase) / decrease in operating assets:		
Decrease in Inventories	(0.61)	3.72
(Increase)/ Decrease in Trade Receivable	12.65	74.03
(Increase) / Decrease Loans	52.72	64.11
(Increase)/ Decrease in other current assets and non-current long term assets	0.01	(75.39)
Adjustment for (increase) / decrease in operating liabilities:		
Increase/(Decrease) in Trade Payables	(34.73)	(35.85)
Increase/(Decrease) in other current and financial liabilities (non-current)	106.51	59.31
Increase/(Decrease) in Provisions	(0.82)	0.51
Cash Generated From / (used in) Operations	144.43	106.34
Direct Taxes (P.T.C.)	12.51	(4.10)
Net Cash Flow from operating activities (A)	157.97	102.23
B. Cash Flow from investing activities		
Capital Expenditure to: Property, Plant and Equipments, Investments Property, Intangible Assets including Goodwill	(6.16)	(3.49)
Proceeds from disposal of Property, Plant and Equipment, Investment Property	3.86	2.64
Investment in shares	(0.003)	0.001
Interest Income	3.56	3.76
Rental Income from investment property	1.36	1.40
Net Cash flow from Investing activities (B)	(1.37)	4.31
C. Cash flow from financing activities		
Proceeds from/(Repayment) of long term borrowings	(4.40)	(317.61)
Net increase / (Decrease) in Working Capital borrowings	4.68	358.26
Finance Cost	(136.99)	(142.44)
Net Cash flow used in financing activities (C)	(138.71)	(102.00)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	17.90	4.54
Cash and Cash Equivalent at the beginning of the year	24.13	19.59
Cash and Cash Equivalent on account of derecognition of step-down subsidiary	(15.57)	-
Cash and Cash Equivalent at the end of the year	26.45	24.13
Note: Figures in brackets represents cash outflow		

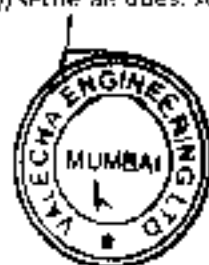


Notes to the Audited Standalone and Consolidated Statements of Financial Results for the quarter and year ended March 31, 2021:

1. The above Audited Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Holding Company at the meeting held on February 04, 2022.
2. This result has been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015.
3. The Company is engaged in "Construction Activity" and there are no other reportable segments under Ind AS 108 "Operating Segments".
4. During the quarter ended March 31, 2021, the Company's appeals against the winding up orders dated 01.03.2018 and 26.04.2018 passed by the Hon'ble High Court were dismissed by the Hon'ble High Court vide orders dated 05.03.2021 and 09.03.2021. Pursuant to the dismissal of the said Appeals the Company preferred a Special Leave Petition bearing No. SLP (Civil) Diary No.71031 of 2021 before the Hon'ble Supreme Court, which eventually was also dismissed by the Hon'ble Supreme Court vide Order dated 30.04.2021. However, the said order dated 30.04.2021 also granted liberty to the Company to present a formal petition/application and present a scheme of settlement. One of the shareholders of the Company, Valecha Investments Private Limited, holding 17.77% of the total equity shares, propounded a scheme of arrangement / compromise in pursuance of the liberty granted by the Supreme Court of India. They also filed Company Summons for Directions (LI) No. 25113 of 2021 seeking appropriate orders to call for meetings of stakeholders to vote on the scheme. The Company's Lead Banker State Bank of India moved an application to transfer the matter to National Company Law Tribunal (NCLT) as the Company is a construction and infrastructure development company and is a going concern. Accordingly, the Hon'ble High Court vide order dated 17.12.21 passed an order directing the transfer of the Company Petition No. 761/2015 and Company Petition No. 173/2016 to NCLT.
5. The Holding Company has not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to investments made Rs.2.15 crores in three subsidiary companies and Rs 0.02 crore in one associate company, loans and advances given Rs 180.72 crores to three subsidiary companies and one step-down subsidiary company, and extended Corporate Guarantees aggregating to Rs.157.96 crores to its one subsidiary company and one Step-down Subsidiary company whose net-worth is completely eroded on account of continued losses incurred in the past.

In view of the primary security already provided by the Subsidiaries and step-down subsidiary company and the Settlement proposals being pursued by the Management of the Holding Company, the Holding Company has not provided for any further liability towards Impairment of above referred Loans & Advances and Investment in Subsidiaries nor has made any fair valuation of its Corporate guarantees issued without consideration as per the requirements of Ind AS 109 & Ind AS 113, for the reasons mentioned above.

6. The Company has 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, loan given of Rs. 73.46 crores, and Corporate Guarantees extended of Rs. 777.15 crores as at March 31, 2021 in respect of its one subsidiary (other than subsidiary referred in point a) above). The net-worth of the subsidiary is completely eroded and it continues to incur losses. The Subsidiary Company has filed a claim on its customer for Rs. 1373.70 crores and expects to realize the same and consequently repay/settle all dues. Accordingly, in the



opinion of the Management, there is no need for any impairment provisions for ECL or fair valuation in respect of its Investments, loans given and Corporate Guarantees extended to the referred subsidiary (other than those mentioned in point 4 above)

- 7) Valecha TM Toll Private Limited (VLMTPL), a step down subsidiary of the Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. The remaining assets in VLMTPL are of insubstantial value and the Holding Company do not see any chances of recovery of its loan amount. The Holding Company has therefore impaired the entire value of its loan to VLMTPL of Rs. 31.13 crores. VIL has also written off its investments in VLMTPL.

The Company has also provided Corporate Guarantees to secured financial creditors to the extent of outstanding dues of Rs. 277.83 crores on behalf of VLMTPL, which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

Since the Holding Company have lost ultimate control of VLMTPL, it has derecognised VLMTPL from the consolidated financial results during the year.

Exceptional item in Consolidated Financial Results for the year ended March 31, 2021 is on account of derecognition of step-down subsidiary on liquidation.

- 8) The Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 217.01 crores which includes Rs. 106.34 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 booked the claims on conservative basis and management believe that they have strong case for each of the claims lodged against the client. Accordingly, in the opinion of the Management, there is no need to account for expected credit losses. 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 and associate company) amounting to Rs. 6.78 crores, loans given to other than related parties amounting to Rs. 117.38 crores and advances to suppliers amounting to Rs. 44.10 crores as at March 31, 2021 as it expects to recover the same in the time to come and hence has not made any provision for the same.
- 9) The Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA classification. In view of the settlement / restructuring of its overall debt being pursued by the Management, it expects reliefs and concessions from various lenders out of the existing liabilities / obligations towards such lenders recorded in its books and has accordingly not provided for any interest liability post March 31, 2018.

Presently, the Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on March 31, 2021 and on outstanding payments to its Vendors registered under MSME.

- 10) The Company has during the quarter recognized a Sale of Investment Property which as per the documents now received was originally effected in September 2017, however due to unavailability of relevant documents, the Company did not record the transaction in prior periods. During the current quarter, the Company have



come into possession of the said sale agreement through an advocate and have accordingly recorded the said sale transaction in the current quarter. Loss on recording of such sale transaction has been grouped under exceptional items.

11. The Company has an outstanding principal liability of Rs. 22.80 crores as at March 31, 2021 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. Pursuant to the NCLT order dated 03.04.2019, 31.06.2019, 22.08.2019, 14.11.2019, 26.05.2020 and in terms of NCLAT order dated 12.02.2020 the matter has since been adjudged. As per these orders, the proceeds from Canara Bank and refunds from Income Tax department will be utilized for repayment of deposits to deposit holders. The Company has during the year paid some deposit holders out of the Income Tax refund received during the year and is in the process of repayment of balance deposit holders based on the availability of proceeds from Canara Bank.
12. Other Current Assets as at March 31, 2021 includes Rs 34.28 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. The Management is confident of ultimate recovery of such amounts.
13. The Company has sixteen 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 and year ended March 31, 2021. Movement in accounts of such project sites, if any, is on account of balances being written off/written back and payments / receipts being made by the Head Office division in relation to assets / liabilities of such project sites. Such Project Sites comprises total assets of Rs. 92.00 Crores [including Trade Receivables Rs. 78.59 crores and loans to other parties Rs. 4.36 crores referred in point 5 above, balances with revenue authorities of Rs. 7.32 crores referred in point 8 above and total liabilities of Rs. 40.33 crores as at 31st March, 2021
14. The Holding Company has certain in operative Bank accounts, which have turned dormant on account of closure of sites, changes in signatories etc. The Holding Company is unable to obtain the statements of such inoperative and dormant bank accounts.
15. 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.
16. The accumulated losses incurred in the past years have resulted in erosion of Company's Net worth. However, the management is of the opinion that subject to approval of settlement proposals with secured lenders, cost reduction measures and participation in new business finance/ JV business, the Company will be able to earn profit over next few years and may be in position to repay restructured loans and pay statutory dues. Hence, the financial results are prepared assuming that it will continue as going concern.
17. On 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Company. The Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.
18. The Company has during the quarter, undertook an extensive physical verification of its fixed assets across various locations (including its ongoing project sites). During the course of such verification, the Company have not been able to trace and identify certain assets which were either discarded from active use owing to the expiry of their useful life or have been appropriated by the Contractors at the closed sites due to non-payment



of their dues. Accordingly, the Company have impaired such fixed assets at their carrying value as at December 31, 2020 aggregating to Rs. 4.02 crores and have grouped the same under exceptional items.

19. The Company has during the quarter ended 31st March, 2021, identified certain non-moving balances which in the view of Management, are not recoverable and / or payable. The aggregate of such non-moving non-recoverable balances is Rs.59.60 crores and aggregate of such non-moving non-payable balances is Rs.41.81 crores. These balances have been netted and a net expense of Rs.17.79 crores has been recorded as "Sundry balances written off".

20. **Specific notes related with Subsidiary Companies:**

a) **Valecha Realty Limited (VRL)**

i. 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.

ii. 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. VRL 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) **Valecha Kachchh Toll Roads Limited (VKTRL)**

VKTRL continues to prepare its Financial Statements on going concern basis even though it has continued to incur significant losses for the quarter and year ended 31st March, 2021 and in previous financial years. It has also continued to default in repayment of its financial obligation including interest and the construction of balance work is going at very slow pace, resulting in increase in cost of project mainly due to interest during construction period. However, as advised, the project had been halted due to non-availability of land and environment issues and on 13.05.2015, VKTRL has received PCOD (provisional commercial operation date) of for section 1 for which revenue is being generated. PCOD for Section 2 is likely to be completed by March 2022. VKTRL has also put an enhanced claim of Rs. 1373.70 crores on GSRTC till March 2020 and is hopeful of realizing the same.

21. Consolidated results for the quarter and year ended 31st March, 2021 and Year ended 31st March, 2020 includes results of following Subsidiaries and Associate Companies:

Sr. No.	Name of Company	Relation
1	Valecha Infrastructure Limited	Wholly Owned Subsidiary Company
2	Professional Realtors Private Limited	Wholly Owned Subsidiary Company
3	Valecha International (FZE)	Wholly Owned Subsidiary Company
4	Valecha Kachchh Toll Roads Limited	Subsidiary Company
5	Valecha Badwani Senchwa Tollways Limited	Step-Down Subsidiary Company
6	Valecha LM Toll Private Limited (Till 31/03/2020)	Step-Down Subsidiary Company
7	Valecha Realty Limited	Associate Company



In case of Valerha International EZE, Holding Company's Management certified results have been considered for consolidation.

The Holding Company could not consolidate financial results of "Aryavrat Tollways Private Limited", an Associate Company, as it has not yet received its results. The Company has not consolidated financial results of this associate company in the previous year also. Based on the discussion with respective management, there are no material or significant transactions in the associate company, hence we do not foresee any material impacts on the financial results of the Holding Company.

22. The Code on Social Security 2020 ("Code") relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.
23. 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.

**BY ORDER OF THE BOARD OF DIRECTORS
For VALÉCHA ENGINEERING LIMITED**



**LALNA B. TAKEKAR
DIRECTOR
DIN : 08111805
DATE : FEBRUARY 04, 2022
PLACE : MUMBAI**



INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Valecha Engineering Limited

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone financial results of **Valecha Engineering Limited** ('the Company') for the year ended March 31, 2021 (the "Standalone Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in Basis for Qualified Opinion section below of our report these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Qualified Opinion:

We draw attention to:

1. Note 5 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 following investments made, loans and advances given and Corporate Guarantees extended to its Subsidiaries, Step-Down Subsidiary and Associate Companies whose net-worth is completely eroded on account of continued losses incurred in the past:
 - i. Investments aggregating to Rs.2.15 crores in its three subsidiary companies and Rs. 0.02 crore in one associate company;
 - ii. Loans & advances aggregating to Rs.180.72 crores given to its three subsidiary companies and one step-down subsidiary company;
 - iii. Corporate Guarantees aggregating to Rs.157.96 crores to Banks on behalf of one Subsidiary company and one Step-down Subsidiary company.

The Company has also not done any fair valuation of its Corporate guarantees referred to in point (iii) above nor has recognized guarantee fees/commission during the period in relation to such Corporate guarantees issued without consideration as per the requirements of Ind AS 109 & Ind AS 113.



In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued by the Company and its Subsidiaries and Step Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended 31st March, 2021, which may arise on account of non-provision of impairment towards Investments, Loans and Corporate Guarantees and fair valuation adjustment of Corporate guarantees as referred above.

2. Note No. 6 to the Standalone Statement, the Company has 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, loan given of Rs. 73.46 crores and Corporate Guarantees extended of Rs. 777.15 crores as at March 31, 2021 in respect of its one subsidiary (other than subsidiary referred in point (1) above). The net-worth of the subsidiary is completely eroded and it continues to incur losses. The Subsidiary Company has put a cumulative claim of Rs. 1373.70 crores on GSRDC (client of subsidiary) as computed till March 2020 and expects to recover such claim amount and consequently repay/settle all its dues. However, in view of the uncertainty involved over receipt of the claim amount and consequent repayment of all its dues, we are unable to comment upon the need for impairment provisions and the impact of fair valuation adjustments, if any, which may be required and the resultant impact on the net results for the quarter and year ended March 31, 2021, if any.
3. Note No. 7 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), a step down subsidiary of the Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. The remaining assets in VLMTPL are of insubstantial value and the Holding Company do not see any chances of recovery of its loan amount. Accordingly, the Company has impaired the entire value of its loan to VLMTPL of Rs. 31.13 crores. VIL has also written off its Investments in VLMTPL.

The Company has provided Corporate Guarantees of Rs. 277.83 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued for the Company and its Subsidiaries and Step-Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended 31st March, 2021, which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.

4. Note No. 8 to the Standalone Statement, the Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 217.01 crores which includes Rs. 100.34 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. 6.78 crores, loans given to other than related parties amounting to Rs. 117.38 crores and advances to suppliers amounting to Rs. 44.10 crores as at March 31, 2021.



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 net results for the quarter and year ended March 31, 2021.

5. Note No. 9 to the Standalone Statement, wherein the Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts.

The Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on March 31, 2021.

In absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.

6. Note No. 11 to the Standalone Statement, the Company has an outstanding principal liability of Rs. 22.80 crores as at March 31, 2021 payable to public fixed deposit holders. In view of its already weak financial position, the Company has not made any provision of interest on these outstanding fixed deposits.

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 net results for the quarter and year ended March 31, 2021.

7. Note No. 12 to the Standalone Statement, where the Company has stated that Other Current Assets as at March 31, 2021 includes Rs 34.28 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 net results for the quarter and year ended March 31, 2021.

8. Note No. 13 to the Standalone Statement, where the Company in relation to its sixteen project sites, which have either been de-mobilized or completed or otherwise shut or non-operational, 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 and year ended March 31, 2021. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and liabilities of such project sites.

Such Project Sites comprises total assets of Rs. 92.00 crores [including Trade Receivables Rs. 78.59 crores and loans to other parties Rs. 4.36 crores referred in point 7 above, balances with revenue authorities of Rs. 7.32 crores referred in point 9 above] and total liabilities of Rs. 40.33 crores as at March 31, 2021. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended, assets and liabilities as at March 31, 2021 had the said units been audited by us.

9. Note no 14 to the Standalone Statement, where the Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Company is unable to obtain 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 net results for the quarter and year ended, assets and liabilities as at March 31, 2021.

10. Note no 15 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 net results for the quarter and year ended, accumulated losses, assets and liabilities as at the quarter and year ended March 31, 2021, the amounts whereof are presently not ascertainable.
11. 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 net results for the quarter and year ended, accumulated net results, liabilities as at the quarter and year ended March 31, 2021, the amounts whereof are presently not ascertainable.

The matters stated above except point 3 & 9 were also subject matter of qualification in our audit conclusion / opinion on the standalone financial results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2020. Point 3 above was also a subject matter of qualification in our review conclusion on the standalone financial results for the quarter ended December 31, 2020.

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 results* 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 results 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 results.

Material Uncertainty Related to Going Concern:

We draw attention to Note No. 4, Note No. 9 & Note No. 16 to the Standalone Statement which indicates that the Company has been referred to NCLT for the Corporate Insolvency Resolution Process pending initiation, 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 other matters set forth in Note No. 4, Note No. 9 & Note No. 16, 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 results of the Company have been prepared on a going concern basis for the reasons stated in Note No. 16 to the Standalone Statement.

Emphasis of matter:

We draw attention to:

- a. Note No. 7 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), a step-down subsidiary of the Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Accordingly, in view of insubstantial value of remaining assets in VLMTPL, the Holding Company do not see any chances of recovery of its loan amount. The Company has therefore impaired the entire value of its loan to VLMTPL of Rs. 31.13 crores.



- b. Note No. 10 to the Standalone Statement, the Company has during the quarter recognized a Sale of Investment Property, which as per the documents now received was originally effected in September 2017, however due to unavailability of relevant documents, the Company did not record the transaction in earlier periods. During the current quarter, the Company has come into possession of the said Sale agreement through an advocate and have accordingly recorded the said sale transaction in the current quarter. Loss on recording of such sale transaction has been grouped under exceptional items.
- c. Note No. 17 to the Standalone Statement, on 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Company. The Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.
- d. Note No. 18 to the Standalone Statement, the Company has during the quarter, undertook an extensive physical verification of its fixed assets across various locations (including its ongoing project sites). During the course of such verification, the Holding Company have not been able to trace and identify certain assets which were either discarded from active use owing to the expiry of their useful life or have been appropriated by the Contractors at the closed sites due to non-payment of their dues. Accordingly, the Holding Company have impaired such fixed assets at their carrying value as at December 31, 2020 aggregating to Rs. 4.02 crores and have grouped the same under exceptional items.
- e. Note No. 19 to the Standalone Statement, the Company has during the quarter ended 31st March, 2021 identified certain non-moving balances which in the view of Management, are not recoverable and / or payable. The aggregate of such non-moving non-recoverable balances is Rs.59.60 crores and aggregate of such non-moving non-payable balances is Rs.41.81 crores. These balances have been netted and a net expense of Rs.17.79 crores has been recorded as "Sundry balances written off".

Our opinion is not modified in respect of the above matters.

Management's Responsibilities for the Standalone financial results

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Standalone financial results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Company'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 results 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 results, including the disclosures, and whether the standalone financial results 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.

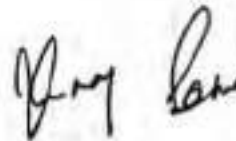


Other Matter:

The Standalone financial results include the results for the quarter ended March 31, 2021 and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year which were subject to limited review.

Our opinion is not modified in respect of these matters.

For Bagaria and Co. LLP
Chartered Accountants
Firm Registration No.:113447W/W-100019



Vinay Somani

Partner

Membership No. 143503

UDIN: 22143503AAJNXD6359

Place: Mumbai

Date: February 4, 2022

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Valecha Engineering Limited (Holding Company)

Report on the Audit of the Consolidated Financial Results

Qualified Opinion

We have audited the accompanying consolidated financial results of **Valecha Engineering Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries and associates (the Holding Company, its subsidiaries and its associates together referred to as "the Group") for the year ended March 31, 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in Basis for Qualified Opinion section below of our report and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, step down subsidiaries and associate company, the aforesaid consolidated financial results:

a. includes the results of the following entities;

S. No.	Name of Company	Relation
1	Valecha Infrastructure Limited	Wholly Owned Subsidiary Company
2	Professional Realtors Private Limited	Wholly Owned Subsidiary Company
3	Valecha International (FZE)	Wholly Owned Subsidiary Company
4	Valecha Kachchh Toll Roads Limited	Subsidiary Company
5	Valecha Badwani Sendhwa Tollways Limited	Step-Down Subsidiary Company
6	Valecha LM Toll Private Limited(Till 31/03/2020)	Step-Down Subsidiary Company
7	Valecha Realty Limited	Associate Company

The Statement does not include the result of following Company:

S. No.	Name of Company	Relation
1	Aryavrat Tollways Pvt. Ltd	Associate Company

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard and

c. give a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2021.

We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.



Basis for Qualified Opinion

We draw attention to:

1. Note No. 7 to the Consolidated Statement, Valecha LM Toll Private Limited (VLMTPL), a step-down subsidiary of the Holding Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. The remaining assets in VLMTPL are of insubstantial value and the Holding Company do not see any chances of recovery of its loan amount. Accordingly, the Holding Company has impaired the entire value of its loan to VLMTPL of Rs. 31.13 crores during the quarter. Since the Holding Company have lost ultimate control of VLMTPL, it has also derecognised VLMTPL from the consolidated financial results during the year.

The Holding Company have provided Corporate Guarantees of Rs. 277.83 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

Since the Holding Company have lost ultimate control of VLMTPL, it has derecognised VLMTPL from the consolidated financial results during the year. VIL has also written off its Investments in VLMTPL.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from the Settlement proposals being pursued by the Group, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021 which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.

2. The Consolidated financial results 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 absence of detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of impairment on goodwill as referred above.
3. Note No. 8 to the Consolidated Statement, the Holding Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 217.01 crores which includes Rs. 100.34 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under arbitration 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. 6.78, loans given to other than related parties amounting to Rs. 117.38 crores and advances to suppliers amounting to Rs. 44.10 crores as at March 31, 2021.

In absence of any detailed information regarding the recoverability of such loans, 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 net results for the quarter and year ended March 31, 2021.



4. Note No. 9 to the Consolidated Statement, wherein the Holding Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts. The Holding Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on March 31, 2021.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.

5. Note No. 11 to the Consolidated Statement, the Holding Company has an outstanding principal liability of Rs. 22.80 crores as at March 31, 2021 payable to public fixed deposit holders. In view of its already weak financial position, the Holding Company has not made any provision of interest on these outstanding fixed deposits.

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 net results for the quarter and year ended March 31, 2021.

6. We draw attention to Note No. 12 to the Consolidated Statement, where the Holding Company has stated that Other Current Assets as at March 31, 2021 includes Rs 34.28 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of updated information on status of such assessments, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended March 31, 2021.

7. We draw attention to Note No. 13 to the Consolidated Statement, where the Holding Company in relation to its sixteen project sites, which have either been de-mobilized or completed or otherwise shut or non-operational, 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. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and/or liabilities of such project sites.

Such Project Sites comprises total assets of Rs. 92.00 crores [including Trade Receivables Rs. 78.59 crores and loans to other parties Rs. 4.36 crores referred in point 6 above, balances with revenue authorities of Rs. 7.32 crores referred in point 8 above] and total liabilities of Rs. 41.49 crores as at March 31, 2021. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended, assets and liabilities as at March 31, 2021 had the said units been reviewed by us.

8. Note no 14 to the Consolidated Statement, the Holding Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Holding Company is unable to obtain 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 net results for the quarter and year ended, assets and liabilities as at March 31, 2021.



9. Note No. 15 to the Consolidated Statement, 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, if any, having consequential impact on the net results for the ended, accumulated losses, assets and liabilities as at quarter and year ended March 31, 2021 the amounts whereof are presently not ascertainable.
10. 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 net results for the quarter and year ended, accumulated net results, liabilities as at the quarter and year ended March 31, 2021 the amounts whereof are presently not ascertainable.
11. We draw attention to Note No 19(a) 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 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 1 & 8 above were also subject matter of qualification in our audit conclusion / opinion on the consolidated financial results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2020. Point 1 above was also a subject matter of qualification in our review conclusion on the consolidated financial results for the quarter ended December 31, 2020.

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 Results* 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 results.

Material Uncertainty Related to Going Concern:

We draw attention to Note No. 4, Note No. 9 & Note No. 16 to the Consolidated Statement which indicates that the Holding Company has been referred to NCLT for the Corporate Insolvency Resolution Process pending initiation, 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 other matters set forth in Note No. 4, Note No 9 & Note No. 16, 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 statement of the Group have been prepared on a going concern basis for the reasons stated in the Note No. 16 to the Consolidated Statement.

We draw attention to Note no 19(b) to the Statement in respect of Valecha Kachchh Toll Roads Limited (VKTRL) (a Subsidiary Company) wherein the other auditors had stated in their review report that:



- the Company (VKTRL) continues to prepare its Consolidated Statement on going concern basis even though it has continued to incur significant losses for the quarter and year ended March 31, 2021 and in previous financial years. It has also continued to default in repayment of its financial obligation including interest and the construction of balance work is going at very slow pace, resulting in increase in cost of project mainly due to interest during construction period. However, as advised, the project had been halted due to non-availability of land and environment issues and on 13.05.2015, VKTRL has received PCOD (provisional commercial operation date) for section I for which revenue is being generated. PCOD for Section II is likely to be completed by March 2022. VKTRL has also put a claim of Rs. 1373.70 Crores on GSRDC calculated till March 2020 and is hopeful of realizing the same.

Emphasis of Matter

We draw attention to:

- a. Note No. 7 to the Consolidated Statement, Valecha LM Toll Private Limited (VLMTPL), a step-down subsidiary of the Holding Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. Accordingly, in view of insubstantial value of remaining assets in VLMTPL, the Holding Company do not see any chances of recovery of its loan amount. The Holding Company has therefore impaired the entire value of its loan to VLMTPL of Rs. 31.13 crores.
- b. Note No. 10 to the Consolidated Statement, the Holding Company has during the quarter recognized a Sale of Investment Property, which as per the documents now received was originally effected in September 2017, however due to unavailability of relevant documents, the Holding Company did not record the transaction in earlier periods. During the current quarter, the Holding Company has come into possession of the said Sale agreement through an advocate and have accordingly recorded the said sale transaction in the current quarter. Loss on recording of such sale transaction has been grouped under exceptional items.
- c. Note No. 17 to the Consolidated Statement, on 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Holding Company. The Holding Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Holding Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.
- d. Note No. 18 to the Consolidated Statement, the Holding Company has during the quarter, undertook an extensive physical verification of its fixed assets across various locations (including its ongoing project sites). During the course of such verification, the Holding Company have not been able to trace and identify certain assets which were either discarded from active use owing to the expiry of their useful life or have been appropriated by the Contractors at the closed sites due to non-payment of their dues. Accordingly, the Company have impaired such fixed assets at their carrying value as at December 31, 2020 aggregating to Rs. 4.02 crores and have grouped the same under exceptional items.



- e. Note No. 19 to the Consolidated Statement, the Holding Company has during the quarter ended 31st March, 2021 identified certain non-moving balances which in the view of Management of the Holding Company, are not recoverable and / or payable. The aggregate of such non-moving non-recoverable balances is Rs.59.60 crores and aggregate of such non-moving non-payable balances is Rs.41.81 crores. These balances have been netted and a net expense of Rs.17.79 crores has been recorded as "Sundry balances written off".

Our opinion is not modified in respect of the above matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors 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 consolidated financial results 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 results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors 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 the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors 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 Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 results.

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

- Identify and assess the risks of material misstatement of the consolidated financial results, 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 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 ability of the Group 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 results 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within in the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by 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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results 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.

We are not required to perform procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations as amended, to the extent applicable.

Other Matters:

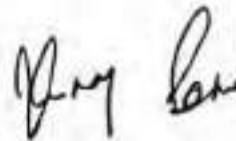
- i. We did not review the financial results of four subsidiaries (including one step down subsidiary) included in the consolidated audited financial results whose financial statements reflect total assets of Rs. 479.27 Crores, total revenue of Rs.6.99 crores and Rs 22.52 crores for the quarter and year ended March 31, 2021 respectively, total comprehensive loss of Rs. 79.47 crores and Rs 192.36 crores for the quarter and year ended March 31, 2021 respectively. These financial results have been reviewed by other auditor whose reports have been furnished to us by the management and our conclusion 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 did not review the financial information of one associate company included in the consolidated audited financial results whose financial information reflect total assets of Rs. 6.54 Crores, total revenue of Rs. NIL for the quarter and year ended March 31, 2021 and total comprehensive loss of Rs. NIL for the quarter and year ended March 31, 2021. This financial information has not been reviewed by their auditor but have been certified by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such Management certified financial information and the procedures performed by us as stated.
- iii. 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 results whose financial information reflect total assets of Rs. 23.52 Crores, total revenue of Rs. Nil for the quarter and year ended March 31, 2021, and total comprehensive loss of Rs. NIL for the quarter and year ended March 31, 2021. The unaudited financial result of the company have 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 conclusion on the financial results, in so far as relates to the amount and disclosures included in respect of these subsidiary is based solely on such unaudited financial information.
- iv. The Consolidated financial results include the results for the quarter ended March 31, 2021 and corresponding quarter ended of the previous year being the balancing figure between audited figures in respect of full financial year and the published unaudited year to date figures up to the third quarter of the current and previous financial year which were subject to limited review.

Our opinion is not modified in respect of the above matters listed under "Other Matters" paragraph.

For Bagaria and Co. LLP
Chartered Accountants
Firm Registration No.:113447W/W-100019



Vinay Somani
Partner

Membership No. 143503
UDIN: 22143503AAJORV9092

Place: Mumbai

Date: February 4, 2022

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, 2021				
(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)
	1	Turnover / Total Income	223.95	Not ascertainable
	2	Total Expenditure	216.97	
	3	Net Profit/(loss) before OQ	1.54	
	4	Earnings Per Share- Basic	0.68	
	5	Total Assets	828.37	
	6	Total Liabilities	792.20	
	7	Net Worth	36.17	
	8	Any Other Financial Item		
II. Audit Qualification (each audit qualification separately) :				
1	a.	Details of Audit Qualification :		
		<p>1. Note 5 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 following Investments made, loans and advances given and Corporate Guarantees extended to its Subsidiaries, Step-Down Subsidiary and Associate Companies whose net-worth is completely eroded on account of continued losses incurred in the past:</p> <p>i. Investments aggregating to Rs.2.15 crores in its three subsidiary companies and Rs. 0.02 crore in one associate company;</p> <p>ii. Loans & advances aggregating to Rs.180.72 crores given to its three subsidiary companies and one step-down subsidiary company;</p> <p>iii. Corporate Guarantees aggregating to Rs.157.96 crores to Banks on behalf of one Subsidiary company and one Step-down Subsidiary company.</p> <p>The Company has also not done any fair valuation of its Corporate guarantees referred to in point (iii) above nor has recognized guarantee fees/commission during the period in relation to such Corporate guarantees issued without consideration as per the requirements of Ind AS 109 & Ind AS 113.</p> <p>In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued by the Company and its Subsidiaries and Step Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended 31st March, 2021, which may arise on account of non-provision of impairment towards Investments, Loans and Corporate Guarantees and fair valuation adjustment of Corporate guarantees as referred above.</p>		
	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 :		
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor :		
	(i)	The Company has issued financial guarantee to various Financial Institutions on behalf of its subsidiaries and step down subsidiaries based on terms of sanctioned letter issued by Financial Institutions and in view of the primary security already provided by the Subsidiaries and step down subsidiary companies and the Settlement proposals being pursued by the Management, the Company has not provided for any impairment on Corporate Guarantee, Loans & Advances and Investment in Subsidiaries. Based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Company.		
2	a.	Details of Audit Qualification :		
		<p>2. Note No. 6 to the Standalone Statement, the Company has 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, loan given of Rs. 73.46 crores and Corporate Guarantees extended of Rs. 777.15 crores as at March 31, 2021 in respect of its one subsidiary (other than subsidiary referred in point (1) above). The net-worth of the subsidiary is completely eroded and it continues to incur losses. The Subsidiary Company has put a cumulative claim of Rs. 1373.70 crores on GSRDC (client of subsidiary) as computed till March 2020 and expects to recover such claim amount and consequently repay/settle all its dues. However, in view of the uncertainty involved over receipt of the claim amount and consequent repayment of all its dues, we are unable to comment upon the need for impairment provisions and the impact of fair valuation adjustments, if any, which may be required and the resultant impact on the net results for the quarter and year ended March 31, 2021, if any.</p>		
	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 :		

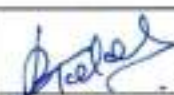
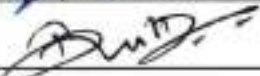





	<p>The Company has issued financial guarantee to various Financial Institutions on behalf of one subsidiary based on the terms of sanctioned letter issued by Financial Institutions and in view of the primary security already provided by the Subsidiaries companies and the subsidiary Company is in the process to get huge amount of claim from the client for delaying the project work due to various reason and expecting to get the same positively, hence company has not provided for any Impairment of Corporate Guarantee, Loans & Advances and Investment in Subsidiaries. Based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Company.</p>
	e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA
3	a. Details of Audit Qualification :
	<p>3. Note No. 7 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), a step down subsidiary of the Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VLMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VLMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL. The remaining assets in VLMTPL are of insubstantial value and the Holding Company do not see any chances of recovery of its loan amount. Accordingly, the Company has impaired the entire value of its loan to VLMTPL of Rs. 31.53 crores. VIL has also written off its investments in VLMTPL.</p> <p>The Company has provided Corporate Guarantees of Rs. 277.83 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.</p> <p>In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued for the Company and its Subsidiaries and Step-Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended 31st March, 2021, which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.</p>
	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 :
	<p>The Company has issued financial guarantee to various Financial Institutions on behalf of aforesaid subsidiary based on the terms of sanctioned letter issued by Financial Institutions. In view of the primary security encashed by the said lender and settlement proposal to be proposed by the Company during NCLT proceeding, the Company has not made any provision.</p>
	e. For Audit Qualification(s) where the impact is not quantified by the auditor : NA
4	a. Details of Audit Qualification :
	<p>4. Note No. 8 to the Standalone Statement, the Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 217.01 crores which includes Rs. 100.34 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.</p> <p>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. 6.78 crores, loans given to other than related parties amounting to Rs. 117.38 crores and advances to suppliers amounting to Rs. 44.10 crores as at March 31, 2021.</p> <p>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 net results for the quarter and year ended March 31, 2021.</p>
	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) Trade receivable - The Trade Receivables includes various claims lodged against various clients. The Company is hopeful to recover the same in the time to come and management believe that they have strong case for each of the claims lodged against various clients. Hence, the Board has decided not to account for any impairment provision for the same.
	Loans extended to various related parties & other parties- The Company expects to recover the same in the time to come and hence has not made any provision for the same.
5	a. Details of Audit Qualification :
	<p>5. Note No. 9 to the Standalone Statement, wherein the Company's borrowing facilities with various banks and NBFC's have continued remain under NPA. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts.</p> <p>The Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on March 31, 2021.</p> <p>In absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.</p>
	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) In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts. Further due to the non-availability of surplus profit and cash flow for last couple of years, the company has not provided for interest on statutory liability and MSME Creditors.



6	<p>a. Details of Audit Qualification :</p> <p>6. Note No. 11 to the Standalone Statement, the Company has an outstanding principal liability of Rs. 22.80 crores as at March 31, 2021 payable to public fixed deposit holders. In view of its already weak financial position, the Company has not made any provision of interest on these outstanding fixed deposits.</p> <p>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 net results for the quarter and year ended March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Due to non-availability of surplus profit and cash flow for couple of years, the company has not provided for regular as well as for the penal interest on public deposit.</p>
7	<p>a. Details of Audit Qualification :</p> <p>7. Note No. 12 to the Standalone Statement, where the Company has stated that Other Current Assets as at March 31, 2021 includes Rs 34.28 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 net results for the quarter and year ended March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Company is in the process to complete the all the Assessments pending in VAT Act laws and the same will be positively close in recent time, also hoping good amount refund in this assessment proceedings.</p>
8	<p>a. Details of Audit Qualification :</p> <p>8. Note No. 13 to the Standalone Statement, where the Company in relation to its sixteen project sites, which have either been demobilized or completed or otherwise shut or non-operational, 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 and year ended March 31, 2021. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and liabilities of such project sites.</p> <p>Such Project Sites comprises total assets of Rs. 92.00 crores [including Trade Receivables Rs. 78.59 crores and loans to other parties Rs. 4.36 crores referred in point 7 above, balances with revenue authorities of Rs. 7.32 crores referred in point 9 above] and total liabilities of Rs. 40.33 crores as at March 31, 2021. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended, assets and liabilities as at March 31, 2021 had the said units been audited by us.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Closure of mentioned sites due to heavy losses, the projects were facing lock-out and local unrest at above mentioned sites. Hence document could not be obtained and provided. However, Management do not foresee any material impacts on the financial statements.</p>
9	<p>a. Details of Audit Qualification :</p> <p>9. Note no 14 to the Standalone Statement, where the Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Company is unable to obtain the statements of such inoperative and dormant bank accounts.</p> <p>In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the net results for the quarter and year ended, assets and liabilities as at March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Once</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Due to Closure of sites and non availability of complete details, changes in authorised signatory the company is unable to obtain the bank statement for such inoperative accounts. However, Management do not foresee any material impacts on the financial statements.</p>



10	a. Details of Audit Qualification :		
		10. Note no 15 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 net results for the quarter and year ended, accumulated losses, assets and liabilities as at the quarter and year ended March 31, 2021, 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)	Company were trying to get balance confirmations from most of the financial institution as well as creditors but due to default/delay in payments it was difficult to get the same, but based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Company.	
11	a. Details of Audit Qualification :		
		11. 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 net results for the quarter and year ended, accumulated net results, liabilities as at the quarter and year ended March 31, 2021, 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)	Legal cases filed by/ against the company - Since the cases are ongoing and based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Company.	
	Director		
	Mrs. Lalna Takekar		
	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 : 04/02/2022		



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, 2021			
[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
	1	Turnover / Total Income	237.35
	2	Total Expenditure	387.09
	3	Net Profit/(loss) before OCI	-56.18
	4	Earnings Per Share- Basic	-24.94
	5	Total Assets	936.62
	6	Total Liabilities	1,769.37
	7	Net Worth	-832.75
	8	Any Other Financial Item	
Adjusted Figures (audited figures after adjusting for qualifications)			
			Not ascertainable
II. Audit Qualification (each audit qualification separately) :			
1	a. Details of Audit Qualification :		
	<p>1. Note No. 7 to the Consolidated Statement, Valecha IM Toll Private Limited (VIMTPL), a stop-down subsidiary of the Holding Company and subsidiary of Valecha Infrastructure Limited (VIL) was admitted to National Company Law Tribunal (NCLT) on 29.03.2019. Subsequently, VIMTPL has also been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. Subsequent to the Balance Sheet Date, during the liquidation proceedings, the substantial asset of VIMTPL being the Toll Collection Rights has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VIMTPL. The remaining assets in VIMTPL are of insubstantial value and the Holding Company do not see any chances of recovery of its loan amount. Accordingly, the Holding Company has impaired the entire value of its loan to VIMTPL of Rs. 31.13 crores during the quarter. Since the Holding Company have lost ultimate control of VIMTPL, it has also derecognised VIMTPL from the consolidated financial results during the year.</p> <p>The Holding Company have provided Corporate Guarantees of Rs. 277.83 crores on behalf of VIMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.</p> <p>Since the Holding Company have lost ultimate control of VIMTPL, it has derecognised VIMTPL from the consolidated financial results during the year. VIL has also written off its investments in VIMTPL.</p> <p>In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from the Settlement proposals being pursued by the Group, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021 which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.</p>		
	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) Holding Company has issued financial guarantee to various Financial Institutions on behalf of aforesaid subsidiary based on the terms of sanctioned letter issued by Financial Institutions. In view of the primary security, encashed by the said lender and settlement proposal to be proposed by the Holding Company during NCLT proceeding, the Company has not made any provision.		
2	a. Details of Audit Qualification :		
	<p>2. The Consolidated financial results include goodwill arising on consolidation amounting to Rs. 1.80 Crores which has not been tested for impairment in spite of the losses and sub-optimal operations of the Group. In absence of detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of impairment on goodwill as referred above.</p>		
	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) Settlement proposal to be proposed by the Holding Company during NCLT proceeding, the Holding Company is hopeful of getting reliefs. After the settlement proposal approved, Goodwill of the group as whole would not be required to be impaired.		



3	<p>a. Details of Audit Qualification :</p> <p>3. Note No. 8 to the Consolidated Statement, the Holding Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 217.01 crores which includes Rs. 300.34 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under arbitration before various authorities.</p> <p>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. 6.78, loans given to other than related parties amounting to Rs. 117.38 crores and advances to suppliers amounting to Rs. 44.10 crores as at March 31, 2021.</p> <p>In absence of any detailed information regarding the recoverability of such loans, 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 net results for the quarter and year ended March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p> <p>(i) Trade receivable - The Trade Receivables includes various claims lodged against various clients. The Holding Company is hopeful to recover the same in the time to come and management believe that they have strong case for each of the claims lodged against various clients. Hence, the Board of Holding Company has decided not to account for any impairment provision for the same.</p> <p>Loans extended to various related parties & other parties- The Holding Company expects to recover the same in the time to come and hence has not made any provision for the same.</p>
4	<p>a. Details of Audit Qualification :</p> <p>4. Note No. 9 to the Consolidated Statement, wherein the Holding Company's borrowing facilities with various banks and NBFC's has continued to remain under NPA. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts. The Holding Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on March 31, 2021. In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and year ended March 31, 2021, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p> <p>(i) In view of the proposed Settlement proposals being pursued by the Management of Holding Company with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts. Further due to the non-availability of surplus profit and cash flow for last couple of years, the company has not provided for interest on statutory liability and MSME Creditors.</p>
5	<p>a. Details of Audit Qualification :</p> <p>5. Note No. 11 to the Consolidated Statement, the Holding Company has an outstanding principal liability of Rs. 22.80 crores as at March 31, 2021 payable to public fixed deposit holders. In view of its already weak financial position, the Holding Company has not made any provision of interest on these outstanding fixed deposits.</p> <p>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 net results for the quarter and year ended March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p> <p>(i) Due to non-availability of surplus profit and cash flow for couple of years, the Holding company has not provided for regular as well as for the penal interest on public deposit.</p>
6	<p>a. Details of Audit Qualification :</p> <p>6. We draw attention to Note No. 12 to the Consolidated Statement, where the Holding Company has stated that Other Current Assets as at March 31, 2021 includes Rs 34.28 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of updated information on status of such assessments, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p> <p>(i) Holding Company is in the process to complete the all the Assessments pending in VAT Act laws and the same will be positively close in recent time, also hoping good amount refund in this assessment proceedings.</p>



7	<p>a. Details of Audit Qualification :</p> <p>7. We draw attention to Note No. 13 to the Consolidated Statement, where the Holding Company in relation to its sixteen project sites, which have either been de-mobilized or completed or otherwise shut or non-operational, 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. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and/or liabilities of such project sites.</p> <p>Such Project Sites comprises total assets of Rs. 92.00 crores (including Trade Receivables Rs. 78.59 crores and loans to other parties Rs. 4.36 crores referred in point 6 above, balances with revenue authorities of Rs. 7.32 crores referred in point 8 above) and total liabilities of Rs. 41.49 crores as at March 31, 2021. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and year ended, assets and liabilities as at March 31, 2021 had the said units been reviewed by us.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Closure of mentioned sites due to heavy losses, the projects were facing lock-out and local unrest at above mentioned sites. Hence document could not be obtained and provided. However, Management of Holding Company do not foresee any material impacts on the financial statements.</p>
8	<p>a. Details of Audit Qualification :</p> <p>8. Note no 14 to the Consolidated Statement, the Holding Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Holding Company is unable to obtain 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 net results for the quarter and year ended, assets and liabilities as at March 31, 2021.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Once</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Due to Closure of sites and non availability of complete details, changes in authorised signatory the company is unable to obtain the bank statement for such inoperative accounts. However, Management of holding Company do not foresee any material impacts on the financial statements.</p>
9	<p>a. Details of Audit Qualification :</p> <p>9. Note No. 15 to the Consolidated Statement, 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, if any, having consequential impact on the net results for the ended, accumulated losses, assets and liabilities as at quarter and year ended March 31, 2021 the amounts whereof are presently not ascertainable.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Holding Company were trying to get balance confirmations from most of the financial institution as well as creditors but due to default/delay in payments it was difficult to get the same, but based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Company.</p>
10	<p>a. Details of Audit Qualification :</p> <p>10. 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 net results for the quarter and year ended, accumulated net results, liabilities as at the quarter and year ended March 31, 2021 the amounts whereof are presently not ascertainable.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification : Repetitive</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views : NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor :</p>
	<p>(i) Legal cases filed by/ against the Holding company - Since the cases are ongoing and based on the discussion with respective managements, we do not foresee any material impacts on the financial statement of the Holding Company.</p>



11	a. Details of Audit Qualification : 11. We draw attention to Note No 19(a) to the Consolidated Statement, Valecha Realty 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 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 1 & 8 above were also subject matter of qualification in our audit conclusion / opinion on the consolidated financial results for the quarter and year ended March 31, 2020 and for the quarter ended December 31, 2020. Point 1 above was also a subject matter of qualification in our review conclusion on the consolidated financial results for the quarter ended December 31, 2020.	
	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.	
II. Signatories :		
	Director Mrs. Laina B Takkar	
	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 Somanl Partner Membership No. 143503	
	Place : Mumbai	
	Date : 04.02.2022	

