

August 27, 2024

To,
National Stock Exchange of India Limited
Listing Department,
Exchange Plaza,
Bandra (E), Mumbai – 400 051

To,
BSE Limited
The Department of Corporate Services
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001

Ref Symbol: **VASCONEQ**

Ref: **Scrip Code: 533156**

Subject: Annual Report for the Financial Year 2023-24 including the Notice convening the 39th Annual General Meeting of the Company

Dear Sir/Madam,

The **Annual Report** of the Company for the financial year **2023-24**, including the **Notice convening Annual General Meeting (“Notice”)**, being sent to the members through electronic mode, is attached herewith.

The Annual Report including the Notice is also uploaded on the Company’s website and can be accessed at: www.vascon.com.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Vascon Engineers Limited**

Neelam Pipada
Company Secretary and Compliance Officer

Encl: a/a

Copy to:

Central Depository Services (India) Limited
Marathon Futurex, A- Wing, 25th Floor,
N.M. Joshi Marg, Lower Parel,
Mumbai - 400 013

National Securities Depository Limited
Trade World, A Wing, 4th Floor,
Kamala Mills Compound, Lower Parel,
Mumbai - 400013

VASCON ENGINEERS LTD.

Registered & Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel, Opposite Hyatt Hotel, Pune-Nagar Road, Pune - 14.
Tel.: +91 20 3056 2100/200/300, Fax: +91 20 3056 2600, Web: www.vascon.com CIN: L70100PN1986PLC175750



VASCON



39th ANNUAL REPORT

2023 - 24



POLICE HOUSING PROJECT (MULUND, MUMBAI)



VASCON
Vascon Engineers Limited

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CORPORATE INFORMATION**Chairman Emeritus**

Mr. Vasudevan Ramamoorthy

Board of Directors

Mr. Mukesh Malhotra
Chairman & Independent Director

Mr. Siddharth Vasudevan Moorthy
Managing Director

Dr. Santosh Sundararajan
Whole Time Director and Group Chief Executive Officer

Mr. K.G. Krishnamurthy
Independent Director

Mr. S Balasubramanian
Independent Director

Ms. Tara Subramaniam
Independent Director

Mrs. Sowmya Aditya Iyer
Non Executive Director

Key Managerial Personnel

Dr. Santosh Sundararajan
WTD & Group Chief Executive Officer

Mr. Somnath Biswas
Chief Financial Officer

Ms. Sarita Ahuja (upto May 24, 2024)
Company Secretary and Compliance Officer

Ms. Neelam Piyush Pipada (w.e.f. July 17, 2024)
Company Secretary & Compliance Officer

Committees of Board of Directors**Audit Committee**

Mr. K. G. Krishnamurthy, Chairman
Mr. Siddharth Vasudevan Moorthy, Member
Mr. Mukesh Malhotra, Member
Ms. Tara Subramaniam, Member

Nomination & Remuneration Committee

Mr. K. G. Krishnamurthy, Chairman
Mr. Siddharth Vasudevan Moorthy, Member
Mr. Mukesh Malhotra, Member
Ms. Tara Subramaniam, Member

Stakeholders Relationship Committee

Mr. K. G. Krishnamurthy, Chairman
Mr. Siddharth Vasudevan Moorthy, Member
Mr. Mukesh Malhotra, Member
Ms. Tara Subramaniam, Member (w.e.f. 03.03.2023)

Corporate Social Responsibility Committee

Mr. Siddharth Vasudevan Moorthy, Chairman
Mrs. Sowmya Aditya Iyer, Member
Mr. Mukesh Malhotra, Member

Office Addresses

Registered and Corporate Office
Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Pune- Nagar Road, Pune - 411014.
Tel: +91 (20) 30562 100/200

Website: www.vascon.com
CIN: L70100PN1986PLC175750

Major Branch Locations

Uttar Pradesh
Ground Floor, 1268, Arun Vihar, Sector 37, Noida, Gautam Buddha
Nagar, Uttar Pradesh - 201301.

Chennai
Door No. 81, South Road, West Boug, Manohar Street, T. Nagar,
Chennai - 600017.

Mumbai
Office no C-1314, One BKC, Bandra-Kurla Complex, Mumbai.

Goa
511, Shiv Towers, 5th Floor, Patto Plaza, Panji, Goa- 403001

Coimbatore
SSF Complex, 1st floor 44/3, 55-A, Nava India Road, Opp.
Ramkrishna Dental College, Kr Puram, Coimbatore, Tamilnadu

Registrar & Share Transfer Agents

Kfin Technologies Limited
Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District
Nanakramguda, Hyderabad 500032, Telangana, India
Toll free no. 1800-309-40001
Email: einword.ris@kfintech.com

Listed on

National Stock Exchange of India Limited (NSE)
BSE Limited (BSE)

Bankers & Lenders

State Bank of India
Union Bank of India
CSB Bank Limited
IndusInd Bank Limited
Karnataka Bank Limited
Aditya Birla Finance Limited
Tata Capital Financial Services Limited

Legal Advisors

M/s. H. & Co.

Statutory Auditors

Sharp & Tannan Associates
Chartered Accountants
(FRN 109983W)
802, Lloyds Chambers, Dr. Ambedkar Road,
Opp. Ambedkar Bhavan, Pune-411 011

Tel +91 20 2605 2202
Fax +91 22 2605 2203

Email ID: pune.office@sharp-tannan.com
Website: www.sharp-tannan.com

MANAGING DIRECTOR'S STATEMENT



Siddharth Vasudevan Moorthy
Managing Director

Dear Esteemed Shareholders,

With great pleasure, I present to you the 39th Annual Report of Vascon Engineers Ltd. This has been an incredible year for all of us at Vascon. It has been distinguished by pioneering successes and strategic growth.

Your company demonstrated outstanding performance for Financial Year 2023-24 and we expect the same trend to continue in coming years and are prepared to achieve significant progress. Our unwavering determination and focused approach have generated a wave of positive energy within the system, making it resilient to navigate any adverse events.

India demonstrated remarkable resilience against global challenges in 2024, solidifying its position as the world's fastest-growing major economy. This robust performance was driven by strong domestic demand, moderate inflation, a stable interest rate environment, and healthy foreign exchange reserves. Nationwide, there was a significant increase in infrastructure activity, which is expected to have a substantial positive impact on India's GDP growth

Economic Scenario & Growth Drivers

The Financial Year 2023-24 has shown tremendous growth as the Indian economy ended with a big bang surpassing all market estimate of GDP with 8.2% YoY growth despite global uncertainties, driven by strong domestic demand and continuous government efforts toward reforms and capital expenditure. The long-term outlook for the Indian economy is supported by various key growth drivers such as political

stability, policy continuity, and strong reforms. These factors increase investor confidence, which leads to more investment, jobs, and higher income. The Reserve Bank of India (RBI) played a role in India's economic growth in FY 2024 by maintaining a steady policy rate, keeping inflation under control, and supporting growth and also boosting Indian economy through FDI which reveals that there has been a significant shift in equity inflow across various industries. The construction activities (infrastructure) sector saw a remarkable increase of 158%, rising from Rs 13,588 crore in FY23 to Rs 35,076 crore in FY24 which indicates that infrastructure sector will remain in the top priority list along with the manufacturing and service sector.

The Union Budget 2024-25, for the infrastructure sectors looks promising as it allocates significant amount towards infrastructure development, emphasizing the government's commitment to enhancing this sector as part of its broader economic strategy. The budget earmarks Rs. 11.11 Lakh Crore for infrastructure development, representing 3.4% of India's GDP. This allocation is part of a comprehensive approach to bolster economic growth and improve public services. This budget is part of a broader vision termed 'Viksit Bharat', which seeks to ensure sustainable development and economic resilience, particularly in the face of global economic uncertainties. The emphasis on infrastructure is expected to create jobs and stimulate economic activity across various sectors. The budget allocates additional funds to expand the Smart Cities Mission. This will involve modernizing urban infrastructure, improving public services, and integrating technology to enhance the quality of life in cities.

VASCON ENGINEERS LIMITED

The fiscal year 2023-24 has been a great year for all of us at Vascon Engineers, and I would like to highlight the key achievements and performance of your company during this period.

Business Performance:

The Financial Year 2023-24 was driven by many unparalleled headwinds, your Company has delivered a strong performance and continued the growth trajectory with the plan of Vascon 2.0. The previous fiscal year has been another remarkable one for our Company, marking another continued growth cycle. By effectively managing our high-performing businesses and maintaining a strong focus on the fundamentals across all segments, we have achieved outstanding results throughout the year.

Our Balance sheet has improved by deleveraging and positive cash flow efficiency, improving operational efficiencies in our core business segment has resulted into improvement in Credit Rating from the reputable rating agencies like CRISIL. Over the last two years your Company has improved its run-rate and the same trend is expected to follow going ahead.

Our net debt for the year has risen to Rs 86 Crore in last fiscal year, as we were involved in new real estate joint ventures, and we have also put some money in bid amount commitments and earnest money deposits for new EPC orders with our total gross debt standing at Rs 174 Crore as of March 2024 against Rs 214 Crore as on March 2021.

Your company remains robust by concentrating on driving order book execution, which is supported by significant order intake throughout the year, resulting in greater capacity utilization and margins in the EPC industry in the near future.

During the year, the ratings for your Company has been validated and it is upgraded by Acuite Rating & Research Limited (ARRL) on the credit rating for Long Term Bank Facilities has been upgraded from BBB to BBB+ and for Short Term Bank Facilities has been upgraded from A3 to A2. Further to that, the Crisil Ratings Limited (CRL) on the credit rating has assigned - Long Term Bank Facilities has been upgraded to BBB and for Short Term Bank Facilities has been upgraded to A3+.

EPC Business:

EPC business, the core of your company generated revenues of Rs 711 Crore with an EBITDA of Rs 67 Crore translating into a 9% margin. Your company had won some large order in the FY 2024 with some prominent projects in Pune - Maharashtra; Amethi - UP, Barmer - Rajasthan, Bijnor & Kasumbhi - UP, Chennai – Tamil Nadu and 2nd redevelopment project in Mumbai. The order book of Rs 3,365 crore demonstrates our clients' trust in our capacity to execute, with just Rs 527 crore originating from internal sources. The whole order book is 5x our FY 2024 sales, ensuring growth, better visibility, speedier execution, and consistent cash flow. Your company is primarily

focused on enhancing the order book's integrity, which accounts for ~80% of government projects. This approach not only strengthens the Company's execution skills, but also adds another degree of safety.

Real Estate Business:

Real Estate revenue stood at Rs 52 Crore with an EBITDA of Rs 21 Crore translating into 36% margin in FY 2024. Your Company's key projects - Forest Edge, Vascon Spring, Forest County & Windermere Bungalow have been fully sold. Going forward, your Company will be more focused on the maintaining the momentum in the business segment, also collaborating with various developers for upcoming projects. Few new projects are in pipeline for Fiscal Year 2025 which will have overall cost of Rs 2,627 Crores, of which your Company will be sharing Rs 1,377 Crores out of the total sale of real estate segment. Your company continues to take a cautious approach when starting new initiatives and will only proceed when the status quo is acceptable.

Subsidiary Performance:

GMP continues to generate consistent results, with revenues of Rs 289 crore in Fiscal 2024 and a high gross margin of 28%. EBITDA came in at Rs 21 crore, with a 7% margin. In the future years, your company will continue to prioritize both revenue growth and business efficiency.

Business Outlook:

With the strategic initiatives and persuasive demand driving our growth trajectory, your company is focused on growth of all the business segment and also on execution momentum and we are focused to each area of our business, increasing the order book timely execution, arranging abundant capital for all kind of projects while displaying future visibility and we are confident in boosting profitability across our business segments and are optimistic about achieving excellent growth based on our future guidance.

Conclusion:

Thank you to our shareholders, clients, partners, and new investors for your unwavering support. As we celebrate the remarkable milestones of the past, we eagerly anticipate the growth opportunities ahead. Vascon Engineers is ready to embark on this new chapter with dedication, expertise, and a pioneering spirit. We also recognize and celebrate the exceptional efforts of the Vascon Engineers Team, whose commitment to excellence has been instrumental in our success. Together, we confidently stride into the future, ready to make history. We are delighted to share this journey with you.

With best wishes.

Siddharth Vasudevan Moorthy
Managing Director

REPORT OF BOARD OF DIRECTORS

Dear Members,

On behalf of the Board of Directors ('the Board'), it is our pleasure to present the 39th Annual Report of the Company along with the Audited Financial Statements (standalone and consolidated) and Auditors Report for the Financial Year ended March 31, 2024. (Financial Year)

1. Financial Highlights

Table 1 gives the financial highlights of the Company for FY2024 as compared to the preceding financial year, on consolidated and standalone basis.

(Rs. in lakhs)

Particulars	Consolidated		Standalone	
	FY 2024	FY 2023	FY 2024	FY 2023
Net Sales /Income from Business Operations	1,03,723	99,993	76,340	76,747
Other Income	2,258	1,104	1,177	960
Total Income	1,05,981	1,01,097	77,517	77,707
Profit /(loss)before Interest and Depreciation	9,219	10,854	8,734	10,258
Less Interest	1,592	1,279	1,353	1,007
Profit /(loss)before Depreciation	7,627	9,575	7,381	9,251
Less Depreciation and amortization	1,440	1,192	596	588
Profit / (loss) after depreciation and Interest	6,187	8,383	6,785	8,663
Share Of Profit from Joint Venture/Associates	1,563	1,946	0	0
Exceptional Item	0	0	0	0
Less Current Income Tax	994	337	643	0
Less Previous year adjustment of Income Tax	34	0	0	0
Less Deferred Tax	(72)	51	0	0
Net Profit after Tax	6,794	9,941	6,142	8,663
Remeasurement of Benefit liabilities/(Assets)	35	77	34	97
Income Tax relating to items that will not be reclassified to profit & loss account	17	5	0	0
Total Comprehensive Income	6,776	10,023	6,176	8,760
Less Minority share of profits / losses	97	190	-	-
Dividend (including Interim if any and final)	0	0	0	0
Net Profit after dividend and Tax	6,794	9,941	6,142	8,663
Earnings per share (Basic)	3.05	4.49	2.80	3.99
Earnings per Share(Diluted)	3.05	4.49	2.80	3.99

Notes: FY 2024 represents fiscal year 2023-24, from 1 April 2023 to 31 March 2024, and analogously for FY2023 and other such labeled years.

2. Business Performance

The total standalone sales for Financial Year 2024 are Rs. 76,340.00 Lakh as compared to Rs. 76,747.00 Lakh for Financial Year 2023. The Company made a Profit after Tax of Rs.6,142.00 Lakh in Financial Year 2024 compared to Rs. 8,663.00 lakh in Financial Year 2023.

The Company's performance has been discussed in detail in the "Management Discussion and Analysis Report" which forms a part of this report.

3. Consolidated Results

The turnover of the Company was Rs. 1,05,286.00 Lakhs in Financial Year 2024 against Rs. 1,01,939.00 Lakhs in Financial Year 2023. Profit after tax before Minority Interest for Financial Year 2024 was Rs.6,794.00 lakh as compared to Rs. 9,941.07 lakhs in Financial Year 2023.

4. Business Operations & Future Outlook

Your company is strengthening its focus on its core area of operations, Viz., EPC and Real Estate. In view of the Government's emphasis on infrastructure expenditure in Health Care Sector – Hospitals and Medical College affordable housing and Airports your company has a sharp focus on all this segment. While procuring the contract, the company lays emphasis on the priority of the project to the clients, design and built contract, the importance of value add in the project, and a special focus on the all the above segment. The company has done extensive research on this area and has developed a special expertise on execution of such projects. The company witnessed strong execution backed by return of gradual normalcy. The company witnessed strong execution backed by return of normalcy in the overall economy. During Financial Year 2023-24, all the projects were operating at optimum level enabling faster project execution. Company believes that the execution will continue to gather momentum going forward. As on March 2024, the net debt is recorded at Rs. 86.23 Crores which was mainly increased on the account of entering in JV for Real Estate Business and utilization of CC Limit in EPC business.

The EPC segment during the year witnessed a fast-track execution of the projects. During the Financial Year 2023-24, EPC segment revenue stood at Rs. 718.46 Crores, major projects namely Mumbai Police Staff Quarters, Medical College with District Hospital at Kaushambi and Bijnor, Vedanta - Barmer, Pune MRDA, and other projects are running smoothly. Post the resumption of normal business activities, the the pandemic had no material impact on our execution. Your company closed the FY 2023-24 with the order book of Rs. 3,365 Crores which is 4x times of FY24 revenue. We are very much optimistic on the EPC segment to deliver strong performance in the future.

The real estate segment after various headwinds in the recent past is gaining traction. There is gradual recovery in the demand as the economy moves towards normalcy. Company's real estate revenue stood at Rs. 56.71 Crores for FY 2023-24. Your company continues to take a cautious approach when starting new initiatives and will only proceed when the status quo is acceptable.

5. Credit Rating

The Company has obtained Credit Rating from CRISIL Ratings Ltd ("CRISIL") ("Credit Rating Agency"). During the Financial year 2023-24, rating is as under:

Instrument	Rating Agency	Rating	Outlook
Long Term Ratings (Fund Based Facilities)	CRISIL	BBB+	Stable
Short Term Ratings (Non-Fund Based Facilities)	CRISIL	A2	(Assigned)

The outlook remains stable.

6. Transfer to Reserves

The Company has not proposed to transfer any amount to the General Reserve.

7. Dividend

During the Financial Year, the Company has declared Interim Dividend of Rs.0.25 Paisa per share. It is proposed to confirm the same as Final Dividend for the Financial Year. The dividend payout is in accordance with the Dividend Distribution Policy, which is available on the website of the Company at <https://www.vascon.com/investors>.

8. Share Capital

The current Authorised Capital of the Company is Rs. 2,69,13,00,000 divided into 26,41,30,000 Equity Shares of Rs. 10/- each and 50,00,000 preference shares of Rs.10/- each.

The total issued, subscribed and paid-up share of the Company is Rs. 2,21,31,71,110/-, consisting of 22,13,17,111 equity shares of Rs. 10 each fully paid-up.

9. Public Deposits

The Company has not accepted or renewed any deposit as covered under Section 73 of the Companies Act, 2013, from its members or the public, during the financial year under review.

10. Material Changes and Commitments affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which had occurred between the end of the financial year and the date of this report.

11. Adequacy of Internal Financial Controls with Reference to the Financial Statements

The Board has adopted systems, policies and procedures for efficient conduct of business, operations, safeguarding its assets and prevention of frauds. This ensures accuracy and completeness of accounting records and its timely preparation.

12. Subsidiaries, Associates and Joint Ventures

During the year under review, there were no changes with respect to Subsidiaries, Associates and Joint Ventures:

The list of subsidiaries and associates of your Company as on March 31, 2024 forms a part of MGT-7, the draft of which can be accessed from Company's website <https://www.vascon.com/investors/services>

As per Section 129(3) of the Companies Act, 2013, where the Company has one or more subsidiaries, it shall, in addition to its financial statements, prepare a consolidated financial statement of the Company and of all subsidiaries in the same form and manner as that of its own and also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiaries.

In accordance with the above, the consolidated financial statements of the Company and all its subsidiaries and joint ventures are prepared in accordance with the provisions as specified in the Companies (Accounts) Rules, 2014, form part of the annual report. Further, a statement containing the salient features of the financial statement of our subsidiaries and joint ventures in the prescribed form AOC-1 is attached as “Annexure-I” to the Board’s Report. This statement also provides the details of the performance and financial position of each subsidiary/Joint Ventures and Associates

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements and related information of the subsidiaries, where applicable, will be available for inspection on demand in electronic form. These will also be available on our website at <https://www.vascon.com/investors/balancesheet>

13. Particulars of Loans, Guarantees or Investments

The Company makes investments or extends loans/guarantees to its wholly owned subsidiaries for their business purpose. Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, along with the purpose for which such loan or guarantee is proposed to be utilized by the recipient, form part of the notes to the financial statements provided in this annual report.

14. Corporate Governance and Additional Shareholders’ Information

Your company practices a culture that is built on core and ethical values. A detailed report on the corporate governance systems and practices of the Company is given separately in this annual report.

A certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of corporate governance is attached to the report on corporate governance.

15. Awards and Recognitions

Awards/Recognitions received by the Company during the year are as under:

- CWAB Award 2023 - Awarded to Vascon Engineers for being one of the India’s top challengers - Aug 2023
- CWAB Award 2023 - West builder category awarded to Vascon Engineers - Aug 2023. Transforming Organisations Through Strategic Financial Initiatives SOMNATH BISWAS (Chief Financial Officer) onwards August 2023
- The Fortune leadership Award 2023 - Emerging developer of the year (Residential)- Sep 2023
- The Fortune leadership Award 2023 Achievement of transformational finance - CFO- Sep 2023
- GRIHA 4 Star Rating Award - Awarded to Vascon Engineers for Adampur Airport Project@Jalander during 15th GRIHA summit at Delhi - Dec 2023

- Vascon Engineers Ltd has won the “Excellence in Affordable Homes” award at the ET Business Awards 2023 by The Times Group
- Vascon Engineers Ltd. acknowledged in achieving 5 million safe man hours working For developing Maharashtra state police housing - Mulund, Mumbai

16. Management Discussion and Analysis

A detailed report on the Management Discussion and Analysis in terms of the provisions of Regulation 34 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), is provided as a separate chapter in the annual report.

17. Board of Directors and Key Management Personnel

Appointment/Re-appointment of Directors

1. Appointment of Ms. Tara Subramaniam (DIN: 07654007) as an Independent Director for a period of 5 years:

The Board of Directors of the Company upon the recommendation of the Nomination and Remuneration Committee, at its meeting held on March 03, 2023 approved appointment of Ms. Tara Subramaniam (DIN: 07654007) as Additional (Independent) Director of the Company in accordance with Section 161(1) of the Act and Articles of Association of the Company. She was also appointed as Independent Director for a first term of 5 years for which Shareholders approval was obtained through postal ballot on May 28, 2023.

Ms. Tara Subramaniam is not debarred or disqualified from holding the office of Director by virtue of SEBI Order or any other authority pursuant to BSE/NSE Circular pertaining to enforcement of SEBI Orders regarding appointment of Directors by Listed Companies.

2. Re-appointment of Mr. Siddharth Vasudevan Moorthy (DIN:02404124) as Managing Director for a further period of 5 years:

The Board of Directors of the Company upon the recommendation of the Nomination and Remuneration Committee, at its meeting held on January 30, 2023 re-appointed Mr. Siddharth Vasudevan Moorthy as the Managing Director of the Company w.e.f. 1st April, 2023 for a further period of five years (April 01, 2023 to March 31, 2028) liable to retire by rotation, for which approval of shareholders was accorded through postal ballot and necessary special resolution was passed on March 25, 2023.

3. Retire by Rotation of Mr. Siddharth Vasudevan Moorthy (DIN:02404124)

As per Section 152 of the Companies Act, 2013, Mr. Siddharth Vasudevan Moorthy retires by rotation at the forthcoming 39th Annual General Meeting of the Company.

A brief resume, nature of expertise, details of directorships held in other companies by Mr.

Siddharth Vasudevan Moorthy along with his shareholding in the Company as stipulated under the Secretarial Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as an Annexure to the Notice of the ensuing AGM.

Mr. Siddharth Vasudevan Moorthy is not debarred or disqualified from holding the office of Director by virtue of SEBI Order or any other authority pursuant to BSE/NSE Circular pertaining to enforcement of SEBI Orders regarding appointment of Directors by Listed Companies.

Key Management Personnel

During the year under review, there were no changes with respect to Key Managerial personnel.

However as on the date of the report, Ms. Sarita Ahuja has resigned as Company Secretary and Compliance Officer w.e.f. May 24, 2024.

Ms. Neelam Pipada has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. July 17, 2024.

Declaration by Independent Directors

All the Independent Directors of the Company have given their respective declarations/disclosures under Section 149(7) of the Companies Act, 2013 ('Act') and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and have confirmed that they fulfill the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant proficiency, expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management of the Company. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs, Manesar ('IICA').

The Independent Directors of the Company are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

Key Managerial Personnel (KMPs)

The following persons have been designated as the Key Managerial Personnel pursuant to Sections

2(51) and 203 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- Mr. Siddharth Vasudevan Moorthy, Managing Director
- Dr. Santosh Sundararajan, Whole time Director and Group Chief Executive Officer
- Mr. Somnath Biswas, Chief Financial Officer
- Ms. Sarita Ahuja, Company Secretary and Compliance Officer (upto May 24, 2024)
- Ms. Neelam Pipada, Company Secretary and Compliance Officer (w.e.f July 17, 2024)

18. Meetings

The Company Secretary, in consultation with the Chairman of the Company and Chairman of the respective Board Committees, prepares the agenda and supporting documents for discussion at each Board meeting and Committee meetings, respectively. The Board and the Audit Committee meet in executive session, at least four times during a financial year, mostly at quarterly intervals inter alia to review quarterly financial statements and other items on the agenda. Additional meetings are held, if deemed necessary, to conduct the business. During the Financial year 2023-24, 8 meetings of Board of Directors were held. The maximum gap between two Board Meetings did not exceed 120 days.

Details of Board Meetings are laid down in Corporate Governance Report which forms a part of this Report.

19. Performance Evaluation

As per provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, an evaluation of the performance of the Board of Directors and Members of the Committees was undertaken. Schedule IV of the Companies Act states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated

Accordingly, the evaluation of all the Directors individually and the Board as a whole including members of Committees was conducted based on the criteria and framework adopted by the Board. The contribution and impact of individual Directors and Committee Members was reviewed through a peer evaluation, on parameters such as level of engagement and participation, flow of information, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. None of the Independent Directors are due for reappointment.

During the year under review, the Independent Directors of the Company met on March 11, 2024, inter-alia, for:

- i. Evaluation of performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii. Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors.

- iii. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meetings were conducted in an informal manner without the presence of the Whole-time Director(s), the Non-Executive Non-Independent Directors.

20. Appointment of Directors and Remuneration Policy

The Nomination and Remuneration Policy of the Company provides roles and responsibilities of the Nomination and Remuneration Committee and the criteria for evaluation of the Board and compensation of the Directors and senior management. Further the assessment and appointment of members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise and specific qualification required for the position. The potential Board member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In accordance with Section 178(3) of the Companies Act, 2013, Regulation 9(4) of the Listing Regulations and on recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel and Senior Management. The policy is attached as an annexure to the Corporate Governance report.

21. Board Committees

In compliance with the Statutory requirements, the company has constitutes four mandatory committees namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

A detailed update on the Board, its composition, governance of committees, terms and reference of various committees, no of committee meetings held during the year is provided in the Corporate Governance Report, which forms a part of this report.

a. Audit Committee

The composition of Audit Committee is in accordance with provisions of Section 177 of the Companies Act, 2013 read with rules issued thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee of the Board of Directors consists of three Independent Directors and one Executive-Director. The members of Audit Committee are financially literate and have experience in financial management. Presently, the Committee comprises of Mr. K. G. Krishnamurthy, Chairman and Independent Director, Mr. Mukesh Satpal Malhotra, Independent Director and Member, Ms. Tara Subramaniam, Woman Independent Director & Member and Mr. Siddharth Vasudevan Moorthy, Managing Director & Member.

Company Secretary acts as Secretary of the Committee.

The Board has accepted all recommendations made by the Audit Committee during the year.

b. Stakeholders Relationship Committee

The composition of Stakeholders Relationship Committee is in alignment with provisions of Section 178 of the Companies Act, 2013 read with rules issued thereunder and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Stakeholders Relationship Committee of the Board of Directors consists of three Independent Directors and one Executive- Director. Presently, the Committee comprises of, Mr. K. G. Krishnamurthy, Chairman and Independent Director, Mr. Mukesh Satpal Malhotra, Independent Director and Member, Ms. Tara Subramaniam, Woman Independent Director and Member and Mr. Siddharth Vasudevan Moorthy, Managing Director and Member.

Company Secretary acts as Secretary of the Committee

The Board has accepted all recommendations made by the Stakeholders Relationship Committee during the year.

c. Nomination and Remuneration Committee

The composition of Nomination and Remuneration Committee is in alignment with provisions of Section 178 of the Companies Act, 2013 read with rules issued thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on the date of Board Report, the Nomination and Remuneration Committee of the Board of Directors consists of two Independent Directors and one Non-Executive Director. Presently, the Committee comprises of Mr. K. G. Krishnamurthy, Chairman and Independent Director, Mr. Mukesh Satpal Malhotra, Member and Independent Director and Mrs. Sowmya Aditya Iyer, Member and Non Executive Director.

d. Corporate Social Responsibility Committee

The composition of Corporate Social Responsibility Committee is in alignment with provisions of Section 135 of the Companies Act, 2013 read with rules issued there under. As on the date of Board Report, the Corporate Social Responsibility Committee of the Board of Directors consists of one Independent Director, one Executive Director and one Non-Executive Director. Presently, the Committee comprises of Mr. Siddharth Vasudevan Moorthy, Chairman and Managing Director, Mr. Mukesh Satpal Malhotra, Member and Independent Director and Mrs. Sowmya Aditya Iyer, Member and Non-Executive Director.

Company Secretary acts as Secretary of the Committee

22. Business Risk Management

The Company has established a well documented and robust risk management framework under the provisions of Companies Act, 2013. Under this framework, risks are identified across all business process of the Company on continuous basis. Once identified, they are managed systematically by categorizing them. It has been identified as one of the Key enablers to achieve the Company's objectives. Increased competition, impact of recessionary trends on the award of jobs and man power attrition are some of the major risks faced in the industry. However,

your company has adopted risk mitigation steps so as to protect the profitability of the business.

23. Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the financial year ended March 31, 2024 and of the profits and loss of the company for that period;
3. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the directors have prepared the annual accounts on a going concern basis;
5. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively; and
6. the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

24. Secretarial Standards

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meeting of Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

25. Related Party Transactions-

All transactions entered into with Related Parties as defined under Section 2(76) of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("The Listing Regulations"), during the financial year were in the ordinary course of business and at an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

No material Related Party Transactions i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statement, were entered during the year by your company. There were no transactions with related parties which require compliance under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Suitable disclosure as required by Indian Accounting Standards (IND AS 24) has been made in the notes forming part of Financial Statements. Since there are no

transactions with related party that requires compliance under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, AOC-2 isn't provided.

Pursuant to Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has filed half yearly report on Related Party Transactions with the Stock Exchanges, for the year ended March 31, 2024.

26. Vigil Mechanism / Whistle Blower Policy

The Company has Whistle-Blower policy (Whistle-Blower/Vigil Mechanism) to report concerns. Under this policy, provisions have been made to safeguard persons who use this mechanism from victimization.

An Independent member of Audit Committee is the Chief of Vigil Mechanism. The policy also provides access to the chairperson of the Audit Committee under certain circumstances. The details of the procedure are also available on the Company's website <https://www.vascon.com/investors/services>

27. Auditors

a) Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s Sharp and Tannan Associates, Chartered Accountants (FRN - 109983W) were appointed as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 34th Annual General Meeting. They will be retiring from the office of Statutory Auditor in the ensuing general meeting of the Company. Being eligible for the re-appointment and on the recommendation of Audit Committee the Board proposes re-appointment of Sharp and Tannan Associates for second term of 5 years subject to approval of the the shareholders in the ensuing Annual General Meeting of the Company.

b) Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Mr. Amit Jaste of M/s Amit Jaste and Associates, Practicing Company Secretaries (Membership No.-F-7289, Certificate of Practice-12234) was appointed to conduct the Secretarial Audit of the Company for Financial Year 2023-24. The secretarial audit report for Financial Year 2024 is attached as "Annexure-II".

c) Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company maintains the cost audit records. Your Board has, on the recommendation of the Audit Committee, appointed Mrs. Varsha S. Limaye, Cost Accountants (Membership No.12358) as Cost Auditors of the Company for the FY 2025 at a remuneration of Rs. 2,50,000/- (Rupees Two Lakhs and Fifty Thousand only) plus taxes as may be applicable.

28. Board's Response on Auditors Qualification, Reservation or Adverse Remark

- There are no qualifications, reservations or adverse remarks made by the Statutory Auditors, in their report for the financial year ended March 31, 2024. The Report is enclosed with financial statements in this Integrated Annual Report.
- In respect of the qualifications/ adverse remarks in the Secretarial Auditors Report for the financial year ended March 31, 2024

Following are the responses of the Board:

- 1) Form MGT 7 could not be filed due to technical issues with the registration of the Digital Signature of the Company Secretary on MCA portal.
 - 2) Minutes of the subsidiaries were placed but inadvertent drafting reference was left out in noting.
 - 3) 1 event relating to sharing of information could not be captured in Structured Digital Database (SDD) due to late receipt of prerequisite identification data during the quarter ended 31st December 2023
 - 4) Company has complied generally with all applicable Secretarial Standards
- The Secretarial Auditor's certificate confirming compliance with conditions of corporate governance as stipulated under Listing Regulations, for financial year ended March 31, 2024 also forms part of this Report.
 - The Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available for inspection by the members on demand electronically.

29. Reporting of Frauds

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud during the year under review.

30. Significant and Material Orders Passed by the Courts/ Regulators

During FY 2023-24, there were no significant and/or material orders, passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.

31. Corporate Social Responsibility Initiatives

Vascon has been an early adopter of Corporate Social Responsibility initiatives. The Company works with Vascon Moorthy Foundation ('VMF') towards improving healthcare, supporting child education and many such activities for the welfare of the Society.

As per Section 135 of the Companies Act, 2013, the

Company has a Corporate Social Responsibility (CSR) Committee of its Board of Directors. Our Corporate Social Responsibility Committee comprises Mr. Siddharth Vasudevan Moorthy, Chairman of the Committee, Mr. Mukesh Satpal Malhotra, Member and Ms. Sowmya Aditya Iyer, Member.

During the year, the Committee monitored the implementation and adherence to the CSR policy. Our CSR policy provides a constructive framework to review and organize our social outreach programs in the areas of health, livelihood and education. The policy enables a deeper understanding of outcome focused social development through diverse collaborations.

The Company could not spend an amount of Rs. 14.90 lakhs which is a part of CSR amount as the company anticipated higher spend in existing projects on which amount was spent during Financial year 2023-24. The Company will take necessary steps to transfer the unspent amount as classified in S. 135 of the Companies Act 2013

The Report on CSR activities of as specified under Section the Company is attached as "Annexure-III"

The CSR Policy of the Company is hosted on the Company's website at the weblink: <https://www.vascon.com/investors/services>

32. Information Required Under Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, color, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy.

All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment Act to redress complaints received regarding sexual harassment.

The necessary disclosure in terms of requirements of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 in this regards is given below:

- a. No. of complaints filed during the Financial Year: **5**
- b. No. of complaints disposed off during the Financial Year: **5**
- c. No. of complaints pending as on end of Financial Year: **Nil**

33. Transfer of unpaid and unclaimed amounts to Investor Education And Protection Fund ('IEPF')

The Company had declared the Dividend during FY 2023-24 and No Dividend was remained unpaid thus the Company had not transferred any amount to Investor Education And Protection Fund ('IEPF') for the Dividend declared in FY 2023-24

Members may note that shares as well as dividend transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Kfintech for lodging claim for refund of shares and/or dividend from the IEPF Authority.

34. DISCLOSURES

Your Directors state that for the Financial Year 2023-24, no disclosures are required in respect of the following items and accordingly affirm as under:

- The Company has neither revised the Financial Statements nor the report of the Board of Directors.
- Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.
- There was no change in the nature of the business of the Company.
- There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial Institutions.
- No petition/application has been admitted under Insolvency and Bankruptcy Code, 2016, by the National Company Law Tribunal.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries except sitting fees.
- The company has software for maintaining its books of account and has a feature of recording audit trail for each transaction with audit log.

35. Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as "Annexure-IV" forming part of this Report.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in said rules forms part of this Report. Considering the provisions of Section 136 of the Act, the Annual Report, excluding the aforesaid information, is being sent to the Members of the Company and others entitled thereto. The said information is available for inspection at the registered office of your Company or through electronic

mode during business hours on working days up to the date of the forthcoming AGM, by Members. Any Member interested in obtaining a copy thereof may send an e-mail to compliance.officer@vascon.com

35. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The Company focuses on conservation of energy in its projects. Many of our projects are eco-friendly. One of our Project (Windermere) pre-certified project issued by Indian Green Building Council. Company has also received another certificate- Eco-housing Certificate with 5 STAR rating issued by Science and Technology.

Adampur Airport is Griha certified with the rating of 4 STAR, even Goa airport is registered for GRIHA and aim towards 4 STAR rating.

Our Medical College campur & Hospital located at Bijnor & Kaushambi both are registered for GRIHA.

Barmer Crain oil residential development is aimed for IGBC GOLD rating.

We focus on preserving natural resources like trees, canals and other resources while designing the projects. Our Company has not imported any technology or other items, or carried on the business of export or import. Therefore, the disclosure requirements against technology absorption are not applicable to the Company.

During the year under review, total Foreign Exchange Earnings and Outgo is as under:

(Rs. In lakhs)

Particulars	FY 2024	FY 2023
Foreign Exchange Earning	1937.80	3,677.03
Expenditure in Foreign Exchange	839.69	538.94

36. Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2024, on its website at <https://www.vascon.com/investors/services>.

37. Acknowledgement

We thank our clients, vendors, investors, bankers, employees, for their continued support during the year. We place on record our appreciation for the contribution made by our employees at all levels. Our growth was made possible by their hard work, co-operation and support. We further place on record their sincere appreciation for the assistance and co-operation received from Financial Institutions, Banks, Government Authorities and Business Partners.

For and on behalf of the Board of Directors

Sd/-
Mukesh Satpal Malhotra
Chairman

Sd/-
Siddharth Vasudevan Moorthy
Managing Director

Place: Pune

Date: August 14, 2024

ANNEXURE-I FORM AOC-1

Statement Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in prescribed FORM AOC-1 relating to Subsidiary, Associate and Jointly Controlled Companies

PART-A Subsidiary

Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
Almet Corporation Limited	No	NA	58.82	149.16	221.27	13.28	-	2.06	(19.37)	-	(19.37)	-	100%
Marathwada Realtors Private Limited	No	NA	39.22	(1.14)	182.09	144.01	-	-	(30.83)	-	(30.83)	-	100%
Marvel Housing Private Limited	No	NA	1.00	37.88	282.38	243.50	-	835.30	6.22	2.60	3.62	-	100%
Vascon Value Homes Private Limited	No	NA	1.00	(2.52)	22.69	24.20	-	0.24	(0.33)	0.08	(0.40)	-	100%
GMP Technical Solutions Private Limited	No	NA	1.49	9,034.18	25,071.14	16,035.44	-	30,092.95	1,005.51	310.82	694.69	-	85%
GMP Technical Solutions Middle East (FZE).	No	19,7178	24.51	(300.10)	30.17	305.76	-	-	-	-	-	-	85%

PART-B Associates and Joint Ventures

Name of associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end		Reason why the associate/joint venture is not consolidated	Description of how there is significant influence	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/Loss for the year Considered in Consolidation	Profit/Loss for the year Not Considered in Consolidation
		No.	Extend of Holding%					
Associates								
Mumbai Estate Private Limited	31.03.2019	99,999	44.44%	10	44.44%	(55.45)	-	-
Jointly Controlled Entities								
Phoenix Ventures	31.03.2024	Not Applicable	50%	200.00	50%	577.44	(0.57)	-
Ajanta Enterprise	31.03.2022	Not Applicable	50%	4,272.94	50%	4,443.13	1,580.23	-
Vascon Construction Saga LLP	Unaudited	Not Applicable	76.00%	1.52	76.00%	1.52	-	-

For and on behalf of the Board of Directors

Sd/-
Mukesh Satpal Malhotra
Chairman
Place: Pune
Date: August 14, 2024

Sd/-
Siddharth Vasudevan Moorthy
Managing Director

ANNEXURE II: SECRETARIAL AUDIT REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Vascon Engineers Limited
Vascon Weikfield Chambers,
Behind Hotel Novatel, Opposite Hyatt Hotel,
Pune Nagar Road, Pune MH 411014

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Vascon Engineers Limited (hereinafter called 'the Company')**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable to the Company during the Audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not applicable to the Company during the Audit Period**);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);

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

- (i) Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

- 1) *The Company has filed eForm MGT 14 in respect of certain resolutions belatedly i.e. after closure of the financial year. The*

Company was not able to file Form MGT 7 for FY 22-23 within the due date and upto the end of FY 2023-24, due to technical issues with Digital Signature of Company Secretary.

- 2) Minutes of the meetings of all subsidiaries were not noted in the Board Meeting minutes, however, minutes of material subsidiary were noted.
- 3) During the quarter ended 31st December 2023, the Company was required to capture 9 events and the Company has captured 8 events in the Structural Digital Database under SEBI (PIT) Regulations, 2015. Based on the information provided by the Company, 1 event relating to sharing of information could not be captured due to late receipt of prerequisite identification data. The same is separately reported in Annual Secretarial Compliance Report.
- 4) In one instance, minutes of committee meetings were required to be noted in the Board Meeting held next; however, the minutes were noted in the Board meeting subsequent thereto. Similarly minutes of one Board meeting which were required to be noted in the next board meeting, were noted in subsequent Board meeting, thus Clause 7.3.5 of Secretarial standards was not complied with.

There were instance of violations of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 by some of the employees in respect of trading in shares, which were dealt in accordance with the Code of Conduct of the Company.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has substantially complied with the following laws applicable specifically to the Company:

- (a) Real Estate (Regulation and Development) Act, 2016;
- (b) Maharashtra Real Estate (Regulation and Development) (Registration of Real Estate Projects, Registration of Real Estate Agents, Rates of Interest and Disclosure on Websites) Rules, 2017; and
- (c) Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except when meetings were called at shorter notice as permitted u/s. 173(3) of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of Board of Directors or Committee of Board as the case maybe.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- Members of the Company passed Special Resolution by way of Postal Ballot, on 28th May 2023 for appointment of Mrs. Tara Subramaniam as Non-Executive Woman Director.
- Members of the Company passed Special Resolutions at their Annual General Meeting held on 26th September 2023 for approval of payment of remuneration to Dr Santosh Sundararajan and approval of payment of remuneration to Non-Executive Directors by way of coverage in Insurance Scheme.
- Members of the Company passed Special Resolution at their Extra Ordinary General Meeting held on 23rd December 2023 for approval of issue of securities through Qualified Institutional Placement.

**For Amit Jaste & Associates
Practising Company Secretaries**

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: 14/08/2024

Place: Mumbai

UDIN: **F007289F000974178**

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

To,
The Members,
Vascon Engineers Limited
Vascon Weikfield Chambers,
Behind Hotel Novatel, Opposite Hyatt Hotel,
Pune Nagar Road, Pune MH 411014

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

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

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: 14/08/2024
Place: Mumbai

UDIN: F007289F000974178

ANNEXURE-II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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

To
The Members
GMP Technical Solutions Private Limited
309-316, Swastic Disa Business Park
Opp Wadhani Industrial Estate
LBS Marg, Ghatkoper (W)
Mumbai – 400086.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GMP Technical Solutions Private Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (Not applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) The Company being an unlisted public company, none of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were applicable to it during the Audit Period.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

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I further report that during the Audit Period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, standards, etc.

Kulbhushan D Rane

FCS No.: 10022, C. P. No.: 11195

Peer Review Certificate No. : 1745/2022

Place: Pune

Date: 13 August 2024

UDIN: F010022F000963865

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

Annexure to the Secretarial Audit Report

To
The Members
GMP Technical Solutions Private Limited
309-316, Swastic Disa Business Park
Opp Wadhani Industrial Estate
LBS Marg, Ghatkoper (W)
Mumbai – 400086.

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Kulbhushan D Rane

FCS No.: 10022, C. P. No.: 11195

Peer Review Certificate No. : 1745/2022

Place: Pune

Date: 13 August 2024

UDIN: F010022F000963865

ANNEXURE III: ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. Brief outline on CSR policy of the Company:

The Board of Directors (Board) have adopted the CSR Policy (Policy). The key focus areas of the Company's CSR Policy are to support various bodies in carrying CSR activities in the areas of rural development, education, healthcare, general semantics, etc.

2. Composition of CSR Committee:

The CSR Committee was constituted by the Board of Directors at its meeting held on October 20, 2014 and on account of sudden and sad demise of Mr. V. Mohan, it has been reconstituted by the Board on November 26, 2021 as below:

Sr No.	Name of Director/ Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Siddharth Vasudevan Moorthy, Managing Director and Chairman of the Committee	4	4
2	Mrs. Sowmya Aditya Iyer, Non Executive Director, Member	4	3
3	Mr. Mukesh Satpal Malhotra, Independent Director, Member	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The CSR policy is displayed on Company's website www.vascon.com

4. Provide the executive summary along with the web link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable.

5. (a) Average net profit of the Company as per sub section 5 of Section 135:

Average net Profit for F.Y. 2020-21 to 2022-2023 is Rs. 2795.10 lakhs

(b) Two percent of average net profit of the Company as per sub section (5) of section 135

Rs. 55.90 lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

(d) Amount required to be set off for the financial year, if any: Rs. 6.11 lakhs

(e) Total CSR obligation for the financial year (5(b)+(c)-(d)): Rs. 49.79 lakhs

6. (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing project)

Rs. 41.00 lakhs

(b) Amount spent in Administrative overheads

Nil

(c) Amount spent on Impact Assessment, if applicable

Nil

(d) Total amount spent or unspent for the Financial Year [(a)+(b)+(c)]

Rs. 41.00 lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
41.00	NA	NA		NIL	

Note: The Company will transfer the necessary funds to any fund specified under Schedule VII as per second proviso to section 135(5) before the due date i.e. 30th September

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(f) Excess amount for set off, if any

(Rs in lakhs)

Sl. No.	Particulars	Amount
i.	Two percent of average net profit of the company as per sub section 5 of section 135	Rs. 55.90/-
ii.	Total amount spent for the financial year	Rs. 41.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Rs. 6.11
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 6.11

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub Section (6) of Section 135 (in Rs.)	Balance amount in Unspent CSR Account under sub section (6) of Section 135	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs)	Date of transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

If yes, enter the number of Capital assets created / acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset (s) (Including complete address and location of the property)	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of Entity / authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Regn. No if applicable	Name	Registered Address
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – The Company couldn't spend Rs 14.90 lakhs which is a part of CSR amount as the Company anticipated higher spends in existing projects on which amount was spent during Financial Year 2023-24. The company will take necessary steps to transfer the unspent amount as specified under Section 135 of the Companies Act, 2013.

For and on behalf of the Board of Directors

Sd/-
Mukesh Satpal Malhotra
Chairman

Sd/-
Siddharth Vasudevan Moorthy
Managing Director

Place: Pune

Date: August 14, 2024

**VOLUNTARY DISCLOSURES WITH RESPECT
TO CSR ACTIVITIES CONDUCTED BY VASCON
MOORTHY FOUNDATION (VMF)**

Vascon Moorthy Foundation ('VMF') has been tirelessly contributing to the welfare of construction labourers and their children since its 16 years of existence, striving for timely, need-based and holistic future development. The first task was to look after the welfare of the construction labourers at the Vascon project site. But changes in activities from time to time as per future needs are contributing to the overall development of the workforce. VMF is mainly working on three aspects: education, health and improving living conditions in labor camps.

Activities undertaken by Vascon Moorthy Foundation during the 2023-24 are as follows:

Preventive and Curative Health Camps:

In the year 2023-24, VMF focused on the preventive and curative health care of the construction labourers, with the help of Pune Municipal Corporation and NGO. A total of 6 health checkup camps were held on all the sites in Pune. Total 722 labourers benefited from these camps. At this camp getting medicines, vitamins as well as iron supplements free of cost was rewarding for them. Construction industry is a hazardous industry, cuts and wounds are very common while working on sites. Total 563 labourers were given Tetanus Diphtheria and Tetanus Toxoid vaccine.

Immunization:

Immunization is important component to prevent the disease. Preventive Health Care is one of the major Components of the extensive Health Care Program implemented by VMF at all the construction sites. Due to continuous migration, laborers and their children are deprived of preventive health care program. VMF have conducted pulse polio immunization camp at PMAY site with the help of PMC and Total 32 Children took Vitamin dose in this camp. Parents of these children are convinced for immunization camps. The response to this camp was overwhelming. Doctors and the nursing staff built excellent rapport with the parents and gained their confidence.

HIV & AIDS Awareness Programme and testing:

Construction sites Labourers continuously keep wandering in the urban centers in search of work. This is considered to be a high risk population, as far as, HIV & AIDS is concerned. They have very little awareness about it and have many misconceptions about the illness. VMF staff covered almost all Sites in Pune city for the scientific HIV/AIDS awareness programme. They were also provided the addressee of the Anti Retroviral Treatment (ART) centers. After the HIV & AIDS Awareness programme, condom demonstration shown to male labourers and condom distributed. In this year, we have collaboration with Soudamini NGO is an working with positive women and children.

VMF with the help of Soudamini NGO and MDACS conducted HIV testing at Citron, PMRDA, Police Housing site in Pune and HIV testing at MMRCL site, Crest Link and Police Housing site in Mumbai. Awareness and HIV testing camps were conducted at the SRET site in Chennai in collaboration with Real Charitable Trust. Also was done at AAI site, Goa with the help presentation of Society Jeevan Jyoti Social Centre.

A total of 464 labourers actively participated in the awareness program and 597 labourers were tested for HIV. And all the results are negative.

Cancer Awareness Program:

The number of cancer patients in the world is increasing day by day. The whole country has done research about all types of cancer but unfortunately we have not been successful. But some cancers are being treated well, like a vaccine has been made on Human Papilloma Virus (HPV) cancer and it has good results. The most effective thing in all cancer is awareness, if people get more information about cancer then we can prevent cancer. During the year, labour awareness about cancer was created among laborers and staff. In the program all cancer like Brain Cancer, Breast Cancer, Liver Cancer, Lung Cancer, Ovarian Cancer (HPV), Prostate Cancer, Bladder Cancer, Kidney Cancer, Throat Cancer etc. information to the labourers through PPT. The best thing about the awareness program was that some of the labourers asked questions regarding cancer. And they were explained well.

VMF organized Cancer Awareness Program at Goa International Airport site, Dabolim Goa in which a total of 65 labourers including staff actively participated in the program. Along with this, cancer awareness program was organized at 5 sites in Pune in which 214 labourers participated. A total of 279 labourers and employees participated in 2023-24.

Eye checkup Camp:

Construction industries are hazardous mainly because of dust from cement and other materials used on site. These dust particles may be harmful to eyes and due to poor financial condition of the labourers their negligence regarding the same; they avoid getting their regular eye checkups. VMF in association with Nagari Seva Prabodhini Ngo and Yuvak NGO organized eye examination camp at MMRCL site and Maharashtra Police housing site, Mumbai. Similarly, an Eye Testing camp was organized with the help of Vascon Engineers Ltd. at the site at Jila Karagar site, Amethi.

300 laborers benefited from this in the Eye testing camp conducted.

Dental Checkup Camp:

The Yuvak NGO has been associated with Vascon Moorthy Foundation for almost 4 years. Every year, during the Safety Week, various initiatives are taken at Vascon's site, in which our labourers benefit a lot. This year, with the help of Yuvak NGO, a dental checkup camp was organized at our Maharashtra Police housing site. However, many labourers at the site consume Gutka, Paan, Khaini and many other things and face problems like gum pain, cavity and unhealthy teeth, hence VMF had requested the Yuvak NGO to organize a dental checkup camp, which will benefit our labourers. Yuvak NGO along with its dental checkup team examined 186 laborers.

Thanks to all the Yuvak NGO team for conducting a dental checkup camp at VASCON site.

Filariasis Test:

The Adult worms live in human lymph vessels, mate and produce millions of microscopic worms, also known as microfilaria. Microfilarias circulate in a person's blood and are transmitted by mosquitoes when they bite an infected person. Microfilaria grows and develops in mosquitoes.

Filariasis test conducted at Jilla Karagar site, Amethi through Govt. of Uttar Pradesh. National De-worming Day is celebrated every year on 10th February in all the States/Union Territories. Therefore, Filariasis test was done by the government of Uttar Pradesh. A total of 148 laborers were tested.

Malaria testing camp:

Malaria is a life-threatening disease caused by parasites that are transmitted to people through the bite of infected female Anopheles mosquitoes. It is preventable and treatable. Malaria is caused by the Plasmodium parasite that is transmitted to people through the bite of an infected Anopheles mosquito.

VMF organized malaria testing camps at Pune, Mumbai and Goa sites. 144 laborers were tested in malaria testing camp through Pune Municipal Corporation and 447 laborers were tested at Mumbai sites with the help of Brihanmumbai Municipal Corporation and 177 laborers were tested for malaria in Goa through Corporation of the City of Panjim. A total were 768 labourers malaria tested. If a labour has a positive report, He will be treated free of cost through PMC, BMC and COCP in a government hospital. All the reports of malaria test of laborers are negative.

Creches, Day Care Centers on Construction Sites:

Since construction industry is hazardous, safety of children on construction sites is very important. Both the husband and wife work on the site and there is nobody to look after the children at home. If women stay at home they will lose out on opportunities to earn wages, which is important for them to earn their living.

Vascon Moorthy Foundation is running 6 daycare centers in PAN India. Forest Edge site, Kharadi, PMAY site, Dhayari, Citron site, Wagholi, Medical College and Hospital sites, Kaushambi and Bijnor respectively. Along with this, a new site has also been started in District Kargar, Amethi center.

Meanwhile women are assured that they have left their children at a safe place, and can go to work with a calm mind. All the daycare center children get dry snacks and primary formal education. A total of 1056 children have benefited from the 6 daycare centers at PAN India site in the year 2023-24.

Education:

At Vascon Moorthy Foundation is preparing children to join nearby formal schools as early as possible and succeed in a mainstream academic setting. Moreover, with the enforcement of Right to Education Act, enrolment has been easy into formal school, especially for children of migrant families. In our site, 9 children are getting formal education.

Forest Edge is one such site where 9 children go to formal school and receive formal education from class 1st to class 10th in PMC and ZP schools during the academic year 2023-24. Apart from that, most of the children in other schools are not eligible for external school.

Extracurricular activities:

During the year 1056 children were regular in the nursery. Recreational and co-curricular activities were implemented for retention in both formal schools and non-formal schools. It has major activities like games, entertaining and celebrating birthdays, Independence Day and Republic Day, Children's Day, were organized to provide a platform to the artistic skills of the children as well as to develop their stage adventure. Children were encouraged to participate meaningfully in the planning and implementation of activities.

Star Site Competition for Best maintained Labour camp for laborers:

VMF conducts Vascon Star Site Competition every year at Pan India sites, but over the years due to Covid pandemic and thereafter we have made some changes in the Criteria / Assessment at the

labour camp. Therefore the Vascon Star Site competition has not been organized. The objective of this competition is to motivate the site workers to provide better sanitation, safe drinking water facility, healthy environment and better living conditions to improve the quality of life of the workers.

VMF didnt not conduct Star Sight competition evaluation until further instructions from management. However,VMF is taking care of all the workers in every labor camp, every person on the site is involved in providing basic facilities to the laboures. Also improving living conditions in labor camps, health care of site laboures and their families, health, education and situational awareness programs are conducted, vaccination of children, setting up of daycare centre, providing dry breakfast for children and supervised daycare centers on sites, to ensure basic education facilities at the site. The workers were guided from time to time by the site staff regarding the maintenance of the labor camp.

Vascon Moorthy Snehdham – Senior Citizen Program:

Vascon Moorthy Foundation has started a new activity for senior citizens in Kalyani Nagar, R. Vasudevan Sir, Chairman Emeritus of Vascon Engineers Limited, encouraged this activity. Vascon Moorthy Snehdham can become a second home for senior citizens. This was the feeling behind it.

Vascon Moorthy Snehdham is a cherished place for senior citizens, offering a unique blend of recreation and health care guidance. Nestled in a serene setting, this senior citizen activity center priorities the holistic well-being of its members. With a plethora of engaging activities, from art and music classes to fitness programs tailored for senior, Vascon Moorthy Snehdham fosters a vibrant community spirit. The Center also provides health care guidance, ensuring that members receive personalized attention to address their specific needs. Whether participating in social events or benefiting from wellness consultation, seniors at Vascon Moorthy Snehdham find joy, companionship and the support they need for a fulfilling and healthy lifestyle.

Vascon Moorthy Snehdham conducted its first free camp for senior citizens on 18th and 19th December 2023 at Golden Nest, Kalyani Nagar. Good response from senior citizens was seen in both these camps, after a few months started the first week schedule program of Vascon Moorthy Snehdham on 22nd January 2024. In the weekly program, programs are decided according to the interests of the seniors. Physical, mental and emotional health care is provided to senior citizens. For this, pranayam, yoga practice, dance therapy, seminars, lectures on various topics by experienced persons, carrom, cards, mind-gym, song programs and other recreational programs are also conducted. This center is open four days a week, Monday, Tuesday, Thursday and Friday from 4 pm to 6 pm. At the end of March, there were 41 members in Vascon Moorthy Snehdham. The number of members will increase in a few months. The credit for this goes to Mr. R. Vasudevan sir along with Dr. Savita Naiknavare. Mrs. Anjali Bhalerao, coordinator of Vascon Moorthy Snehdham and Mr. Yogesh Kamble are looking after the work of Snehdham.

**Sd/-
Ramya Siddharth Moorthy
Trustee**

ANNEXURE-IV: REMUNERATION OF MANAGERIAL PERSONNEL

Information in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. Remuneration disclosures for Executive Directors and Key Managerial Personnel (KMP) for the financial year ended March 31, 2024

Name	Designation	Ratio of Remuneration to the Median Remuneration of Employees	% Increase in Remuneration During FY 2024
Siddharth Vasudevan Moorthy	Managing Director	131.14	26%
Santosh Sundararajan*	Whole Time Director and Group CEO	275.76	191%
Sarita Ahuja	CS	2.82	-
Somnath Biswas*	CFO	74.58	267%

***Note: The increase in remuneration of the KMPS is due to impact of value of ESOSs granted and hence not strictly comparable with the remuneration of the employees. Barring ESOPs, there is no revision / increment in salary of Whole-time Director & Group CEO and CFO.**

- b. Remuneration disclosures for Independent Directors for the financial year ended March 31, 2024

Name	Designation	Sitting Fees
Mukesh Satpal Malhotra	Chairman and Independent Director	8,00,000
K. G. Krishnamurthy	Independent Director	7,00,000
Sowmya Aditya Iyer	Non-Executive, Non-Independent Director	6,00,000
S. Balasubramanian	Independent Director	8,00,000
Tara Subramaniam	Independent Director	8,00,000

Notes:

- The aforesaid details are calculated on the basis of monthly cost to company paid during the financial year 2023-24.
- Remuneration paid/payable to Non-Executive Directors is based on the number of Board meetings attended by them.
- A permanent employee does not include contract employees, retainers and laborers.
- The number of permanent employees on the rolls of the Company: 752
- The percentage increase in median remuneration of employees in the financial year: 13.1425
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.: During the Financial Year 2023-24, head count of employees had increased by 1% as compared to last year alongwith increase in remuneration of employees other than KMP by 12.44%
- Affirmation that the remuneration is as per the remuneration policy of the company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company

REPORT ON CORPORATE GOVERNANCE

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and considering all stakeholders' interest while conducting business. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

Pursuant to the Corporate Governance requirements as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 ('Listing Regulations'), the report herein below outlines the details of governance systems, practices, process followed at ("Vascon/The Company) and compliance with the provisions of all the applicable allied laws.

Philosophy

The Company is committed to good corporate governance. The philosophy is to observe the highest level of ethics in all dealings, to ensure efficient conduct of the Company and help Company achieve its goals. At Vascon, it is imperative that business is conducted in a fair and transparent manner.

It is not a discipline but is a culture that guides the Board, Management and Employees to function in the interest of Shareholders. The Company respects the rights of its shareholders to secure information on the performance of the Company. Its endeavor has always been to maximize the long term value to the shareholders of the Company.

Your Company has an active, experienced, diverse and a well-informed Board.

Your Company is in compliance with the Corporate Governance requirements as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

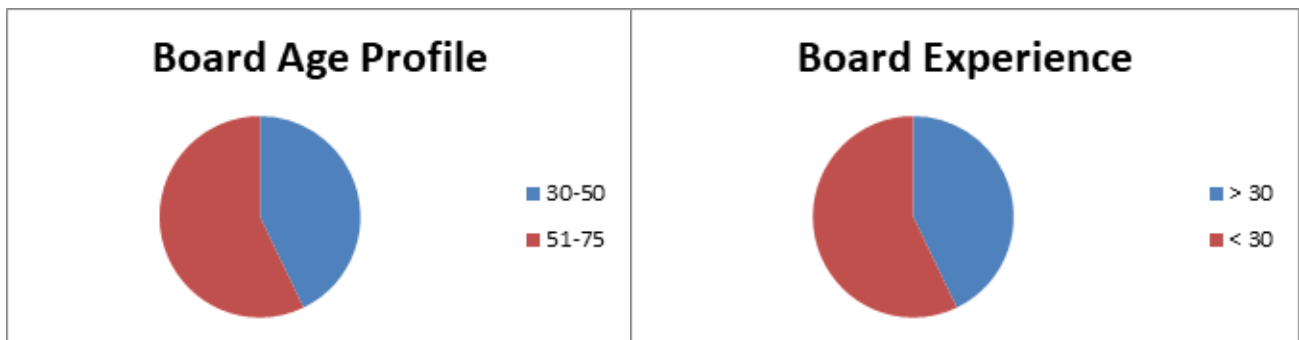
This Chapter reports the Company's compliance with the Regulation 34(3) read with Schedule V (C) of the Listing Regulations as given below:

Board of Directors

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The composition of the Board is in conformity with the provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations amended from time to time.

The Board of your Company comprised 7 (Seven) Directors as on March 31, 2024 and as on date of report, the Company has 4 Independent Directors (including 1 Woman Independent Director), 1 Non-Executive Woman Director and 2 Executive Directors. We, further confirm that none of our Directors have attained the age of 75 years. All Independent Directors serving in other companies are complying with the criteria of limit as specified in the provisions of the Act and the Listing Regulations. The experience and profile is depicted through pie chart.



The Company has a Non-Executive Chairman (who is not a promoter of the Company or is not related to any promoter or person occupying management positions at the level of Board of Director or at one level below the Board of Directors of the Company) and the number of Independent Directors are more than one third of the total number of Directors.

All the Directors have strong academic background and possess requisite Qualifications and experience in corporate management, compliance, finance, strategy, design, construction and other allied fields that allow them to contribute effectively by participating in the Board and Committee Meetings, providing valuable guidance and advice to the Management. Detailed profile of the Directors is available on the website of the Company at www.vascon.com . The brief details are:

Mr. Mukesh Satpal Malhotra completed his schooling at The Bishop's School, Pune & then went on to complete his Bachelor of Engineering at the College of Engineering, Pune. He was appointed as Managing Director of Weikfield Products Co. (I) Pvt. Ltd. in 1994 and continues to hold that position. With his focus on International Trade. Mr. Mukesh Satpal Malhotra has travelled to over 60 countries and 150 cities, thus giving him a broad appreciation and understanding of International business practices and economic scenarios. He has been further re-appointed as Independent Director of the Company for another period of five years w.e.f. May 17, 2021.

He is actively involved in the activities of MCCIA with a track record of over 25 years, having served as President, 2008-2010.

Mr. Siddharth Vasudevan Moorthy has completed his Graduation in Bachelor of Applied Science in Construction Management with Honors from Singapore Institute of Management and Royal Melbourne Institute of Technology. Also, He is a Diploma Holder from Pune University. He has also completed his certificate course in Negotiations and Disruptive innovation from Harvard University. He has also completed his Executive Master of Business Administration (MBA) from Washington University and IIT-Bombay.

With his meticulous approach and enhanced experience of more than fifteen years in the areas of Project Execution, Quality, Technology, Process IT, Customer Relationship Management, Engineering Design and many other facets of has spearheaded the organizational growth. His steady work conviction & vision continues to drive the organization into a leadership position in the real estate and construction business.

He has been conferred with many prestigious awards.

He was first appointed on the Board on March 29, 2018 and thereafter, he was re-appointed as a Managing Director for another term of five years w.e.f. April 01, 2023.

Mr. K.G. Krishnamurthy holds a Bachelor's degree in architecture from the Indian Institute of Technology, Kharagpur. He has more than thirty years of experience in the areas of real estate, construction finance, property valuation and property search services. He has also been appointed on the board of various companies. He has been appointed as a Director on the Board of our Company since June 21, 2006. He was appointed as Independent Director of the company for a period of five years in 2014. He was further re-appointed as an Independent Director of the Company for another period of 5 years in 2019.

Mrs. Sowmya Aditya Iyer holds Bachelor's degree in Business Administration from Symbiosis International University, Pune and an advanced Diploma in Interior Design from Raffles College of Higher Education, Singapore. She has more than ten years of experience in the interior design industry. She is appointed as a Non-Executive Director of the Company since March 31, 2015.

Dr. Santosh Sundararajan is a Civil Engineer with a Ph. D in Structural Engineering from the National University of Singapore. He also holds a Masters degree in Financial Management from London University. He is a practising structural engineer with more than 2 decades of experience in the field of Civil Structural and allied building works, having worked both in Singapore and India. He has been with Vascon group since 2008 and has been serving as the group CEO since 2013.

Mr. S Balasubramanian has over three decades of industry experience, mostly in the areas of Banking and Finance and had a diverse sectoral experience covering power (generation, transmission, distribution and renewable) oil & gas, transportation, metals & mining, telecommunications, financial services and insurance among other.

He has worked extensively with start-up, early and growth stage companies assisting them on financing, resources and operations and his experience includes project structuring, contract structuring and negotiations, financial modelling, limited recourse debt financing, Export Credit Agency backed financing, interest and currency derivatives, transaction documentation, etc.

Over the years, he has established and maintained strong relationships with banks, financial institutions and corporate, both Indian and international. He was appointed as an Independent Director of the Company.

Ms. Tara Subramaniam is a Maha RERA Conciliator and a member of the governing council of the National Real Estate Development Council (NAREDCO) and has also served as the Founder President of MAHI, the women's wing of NAREDCO. She is also on the Board as an Independent Director of Restaurant Brands Asia Limited, Deltatech Gaming Limited and Tips Industries Limited. She is also on the Board of JM Financial Home Loans Limited as a Non-Executive Director. She attended a bachelor's degree course in law from the University of Bombay. She has over 38 years of work experience in banking, real estate, project financing, and business development. She was also associated with Housing Development Finance Corporation Limited, JM Financial Group, and SGE Advisors (India) Private Limited. She was appointed on the Board w.e.f March 03, 2023.

No. of meetings of the Board

The Company plans and prepares the schedule of the Board and Board Committee meetings in advance to assist the Directors in scheduling their program. The schedule of meetings and their agenda are finalized in consultation with the Chairman and Directors of the Company. The agenda are pre-circulated with detailed notes, supporting documents and executive summaries.

Under Indian law, the Board of Directors must meet at least four times a year, with a maximum gap of one hundred and twenty days between two Board meetings. During the year 2023-24, the Board of Directors met Eight times, viz May 15, 2023, August 08, 2023,

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September 26, 2023, November 07, 2023, November 30, 2023, January 24 2024, February 7 2024 ,March 11 2024 The requisite quorum was present for all the Meetings. The gap between any two meetings has been less than one hundred and twenty days. Majority of the Board and Committee Meetings were conducted through physical presence and Audio-Visual Means as per the relevant Circulars/Rules issued by Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI') from time to time for conducting Meetings.

Directors Attendance Record and Directorships held

Pursuant to the provisions of Section 165 of the Act, none of the Directors of the Company is a Director in more than 10 Public Limited Companies (including Alternate Directorships). Further, as mandated by Regulation 17A of the Listing Regulations, none of the Directors of the Company holds Directorships in more than 7 equity listed entities or acts as an Independent Director in more than 7 equity listed entities or 3 equity listed companies in case he serves as a whole time director in any listed company. Further, as stipulated in Regulation 26 of the Listing Regulations, none of the Directors is a Member of more than 10 Board level Committees and no such Director is a Chairman/Chairperson of more than 5 Committees, across all public limited companies in which he/she is a Director. Mr. Siddharth Vasudevan Moorthy, Managing Director and Dr. Santosh Sundararajan, Whole Time Director and Group CEO don't serve as an Independent Director in any listed company. As per the Listing Regulations, only those entities whose equity shares are listed on a stock exchange have been considered for the purpose of ascertaining the number of Directorships in listed companies. Below mentioned table gives the details.

Composition of the Board

The Board of your Company comprises of seven Directors as on March 31, 2024 with Four Independent Directors, two Executive Directors and one Non-Executive & Non-Independent Woman Director.

The names and categories of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting ('AGM') and also the number of Directorships and committee positions held by them in Public Limited Companies and names of listed entities where they hold Directorships and category of such Directorships are provided below:

Sr. No.	Name	Category	Attendance			Total no of Directorships and Committee Memberships / Committee Chairmanship			Directorship in other listed entities		Relationship with other Directors
			Held	Attended	Last AGM Attended	Directorships* (Including this entities)	Committee Memberships (including as Chairman)**	Committee Chairmanship	Name of the listed entity	Category of Directorship	
1	Mr. Mukesh Malhotra	Non Executive, Independent Director, Chairman	8	8	Yes	2	2	Nil	-	-	NA
2	Mr. Siddharth Vasudevan Moorthy	Promoter and Managing Director	8	8	Yes	1	2	Nil	-	-	Son of Mr. Vasudevan Ramamoorthy, Promoter and brother of Mrs. Sowmya Aditya Iyer
3	Mr. K. G. Krishnamurthy	Non Executive, Independent Director	8	7	Yes	8	8	3	Ajmera Realty & Infra India Limited	Independent, Non-Executive	NA
									Equinox India Developments Limited	Director	
									Shriram Properties Limited	Independent, Non-Executive	
									Purvankara Limited	Independent, Non-Executive	
4	S.Balasubramanian	Non Executive, Independent Director	8	8	Yes	2	-	Nil	-	-	NA
5	Tara Subramaniam	Non Executive, Independent Director	8	8	Yes	5	6	2	Restaurant Brands Asia Limited	Independent, Non-Executive	NA
									Tips Industries Limited	Independent, Non-Executive	NA
									Punjab Chemical & Crop Protection Limited	Independent, Non-Executive Director	NA
6	Dr. Santosh Sundararajan	Executive Director	8	7	Yes	2	-	Nil	-	-	NA
7	Mrs. Sowmya Aditya Iyer	Promoter and Non Executive Non Independent Director	8	6	Yes	1	2	Nil	-	-	Daughter of Mr. Vasudevan Ramamoorthy, Promoter and sister of Mr. Siddharth Vasudevan Moorthy

*Excludes Directorships in private limited companies, foreign companies and companies registered under Section 8 of the Act. None of the Directors holds Directorships in more than 20 companies as stipulated in Section 165 of the Act.

***Committees considered are Audit Committee and Stakeholders Relationship Committee. In the Committee details provided, committee membership includes Committee Chairmanships*

Availability of Information to Board Members

The Board has unrestricted access to all Company-related information, including that of our employees. At Board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board members on a continuous basis for their review, inputs and approval. Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial statements. Important managerial decisions, material positive / negative developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the committees, to the Board for its approval. As a process, information to directors is submitted along with the agenda well in advance of Board meetings. Inputs and feedback of Board members are taken and considered while preparing the agenda and documents for the Board meetings. At these meetings, directors can provide their inputs and suggestions on various strategic and operational matters.

Opinion of the Board

The Board hereby confirms that, in its opinion, the independent directors on the Board fulfill the conditions specified in SEBI Listing Regulations, 2015 and Companies Act, 2013 and are independent of the Management.

Non-Executive Directors Compensation

Independent Directors and Non-Executive Directors are only paid sitting fees as remuneration for attending board and committee Meetings within the parameters prescribed by law. The sitting fees paid to Non- Executive Directors is decided by the Board of Directors. Nomination and Remuneration Committee while deciding the basis for determining sitting fees to the eligible Non-Executive Directors takes into consideration various relevant factors, current market trend etc.

Non-executive directors of the Company are being paid, sitting fee of Rs. 1,00,000/- per meeting for every meeting of the Board. Non-Executive Directors are not paid any sitting fees for attending committee meetings.

The Company has not granted any stock options to the Independent and Non-Executive Directors during the year under review.

Information supplied to the Board

The Board agenda comprises of relevant information on various matters related to the working of the Company, especially those that require deliberation at the Board level. The Board is periodically updated on important developments in the business segments and otherwise through presentation made by the function heads. The directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting or approval, information on various significant items is also provided. Post the Board meeting, we have a formal system for follow-up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board. In terms of quality and importance, the information supplied by the Management to the Board is beyond the list mandated under the Listing Regulations. The independent directors, at their separate meeting held on March 11, 2024, assessed the quantity, quality and timely flow of information between the Management and the Board, and found it to be in line with the expectations.

Orderly succession to Board and management

The Board is periodically updated on the orderly succession to the Board and Senior Management. It has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management. As and when new appointments are done, Board is apprised of the same.

Certificate from the Practising Company Secretary regarding non-debarment and non-disqualification of Directors from Practising Company Secretary

A certificate issued by Mr. Amit Jaste of M/s Amit Jaste & Associates, Practising Company Secretaries, (Membership no.: F7289 and Certificate of Practice No.: 12234) pursuant to Regulation 34(3) read with Clause 10(i) of Paragraph C of Schedule V of the Listing Regulations, certifying that none of the Directors on the Board of the Company as on March 31, 2024 has been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI, the Ministry of Corporate Affairs or any such statutory authority. This certificate is annexed to this Annual Report.

Board confirmation regarding Independence of the Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Rules framed thereunder, and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

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Based on the disclosures received from all the Independent Directors, the Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

None of the Independent Directors of the Company have resigned during the Financial Year 2023-24.

Review of legal compliance report

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Code of Conduct

Regulation 17(5) of SEBI Listing Regulations, 2015, requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in Companies Act, 2013.

The Code of Conduct (the 'Code') as recommended by the Corporate Governance Committee and adopted by the Board is a comprehensive Code to ensure good governance and provide for ethical standards of conduct on matters including conflict of interest, acceptance of positions of responsibility, treatment of business opportunities and the like. The Code is applicable to all the Directors & the Senior Management Personnel of the Company.

An annual affirmation of compliance with the Code has been obtained from all members of the Board & Senior Management Personnel as on March 31, 2024.

In terms of SEBI Listing Regulations, a declaration signed by the Managing Director is stated hereunder:

I hereby confirm that:

All Members of the Board and Senior Management Personnel of the Company have affirmed compliance with Vascon's Code of Conduct for the Financial Year 2023-24.

Sd/-

Dr. Santosh Sundararajan
Whole-time Director and Group CEO

Place: Pune

Date: August 14, 2024

Formal letter of appointment of Independent Directors

The Independent Directors on the Board of the Company, upon appointment, are given a formal appointment letter inter alia containing the term of appointment, roles, function, duties & responsibilities, code of conduct, disclosures, confidentiality, etc. The terms and conditions of the appointments of Independent Directors are available on the Company's website <https://www.vascon.com/>.

Performance Evaluation

In terms of Regulation 19(4) read with section A(2) of Part D of Schedule II to SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has framed a policy stipulating the criteria for evaluation of directors and the Board.

Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 an evaluation of the performance of the Board of Directors and Members of the Committees was undertaken. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The policy is attached at **Annexure-D** to Corporate Governance Report.

Accordingly, the evaluation of all the Directors individually and the Board as a whole including members of Committees was conducted based on the criteria and framework adopted by the Board. The contribution and impact of individual Directors and Committee Members was reviewed through a peer evaluation, on parameters such as level of engagement and participation, flow of information, independence of judgment, conflicts resolution and their contribution in enhancing the Board's overall effectiveness. None of the Independent Directors are due for reappointment.

During the year under review, the Independent Directors of the Company met on March 11, 2024 inter-alia, for evaluation of performance of the Directors, Committees and Board as a Whole.

Details on the evaluation of the Board, non-independent Directors and Chairperson of the Company as carried out by the independent directors at their meeting held on March 11, 2024 have been furnished in a separate para elsewhere in this Report.

Remuneration Policy

The assessment and appointment of members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In accordance with Section 178(3) of the Companies Act, 2013, and on recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management.

Remuneration paid to the Non-Executive Directors for F.Y. 2023-24

(Amount in Lakhs except shareholding)

Sr No	Name of the Directors	Salary and Allowance	Sitting Fees paid	Shareholding in the Company
1.	Mukesh Malhotra	0	8.00	5525
2.	K. G. Krishnamurthy	0	7.00	0
3.	S. Balasubramanian	0	8.00	0
4.	Tara Subramaniam	0	8.00	0
5.	Sowmya Aditya Iyer	0	6.00	700294

Remuneration paid or payable to Executive Directors for F.Y. 2023-24

(Amount in lakhs except shareholding)

Sr No	Name of the Directors	Salary and Allowance	Perquisites	Retirement Benefits**	Shareholding in the Company
1.	Siddharth Vasudevan Moorthy	386.40	204.19	16.36	4164953
2	Dr. Santosh Sundararajan	276.55	981.69	18.02	9528336

**Payable at the time of retirement

The tenure of office of Managing Director and Whole Time Director is for 5 (Five) years from their respective date of appointments. It can be terminated by either party by giving one months' Notice in writing. There is no separate provision for payment of severance fees.

Board Diversity Policy

In compliance with the provisions of SEBI Listing Regulations, 2015, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board comprises an adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Board composition meets the above objective.

Familiarization programmes for independent directors

With a view to familiarising the independent directors with the Company's operations, as required under regulation 25(7) of the Listing Regulations, the Company has held familiarisation programmes for the independent directors throughout the year on an ongoing and continuous basis. The details of such familiarization programmes are placed on <https://www.vascon.com/investors/services>.

In the opinion of the Board of Directors of the Company, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

Whistle Blower Policy/Vigil Mechanism

Pursuant to section 177(9) of Companies Act, 2013 and regulation 22 of SEBI Listing Regulations, 2015, the Company has framed its Whistle Blower Policy. The Company has formulated an Whistle- Blower or Vigil mechanism under this Code to report concerns on, actual or suspected violations of the Code. The Code of Business Conduct and Ethics and Ombudsperson procedure (whistle blower policy) is available on the Company's website: <https://www.vascon.com/investors/services>

During Financial Year 2023-24, no personnel has been denied access to the Audit Committee.

Subsidiary Companies

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The Audit Committee reviews the financial statements of the Material Subsidiary Company. 'GMP Technical Solutions Pvt. Ltd.' is a material subsidiary Company in terms of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The material subsidiary is incorporated on 22nd September 2003 and M/s Sharp & Tannan Associates are the statutory auditors of the said company, appointed lastly on December 19, 2020. The Committee also reviews the investment made by the material subsidiary company, statement of all significant transactions and arrangements entered into by the subsidiary company and the status of compliances by the respective subsidiary company, on a periodic basis.

The minutes of the Board meeting of the material subsidiary company and other subsidiary companies are placed before the Board of the Company for its review. The Company has formulated a policy for determining material subsidiaries and it is available on the Company's website <https://www.vascon.com/investors/services>

Related Party Transactions

All Related Party Transactions (RPTs) entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business and did not attract provisions of section 188 of Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in this Annual Report.

Pursuant to Regulation 23(9) of SEBI Listing Obligations and Disclosure Requirement) Regulations, 2015, disclosures of RPTs on a consolidated basis are being submitted to the stock exchanges within the prescribed time limit and are being published on the Company's website <https://www.vascon.com/investors/services> There were no materially significant related party transactions entered into during the 2023-24, which may have any potential conflict with the interests of the Company at large.

DISCLOSURES

• Core skill and expertise of Directors

In terms of the requirements of the SEBI Listing Regulations, following is the list of core skills/competencies/expertise as required in the context of company's business for it to function effectively.

Your Company is in the Construction Business. Your Company while appointing a Director always ensures that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, architecture, business management, sales, marketing, corporate governance, technical operations or other disciplines related to your Company's business.

1. Design of Residential, Commercial Office and other Buildings
2. Construction of Civil Structures and Modular Structures
3. Managing vast pool of Manpower and Other Resources
4. Understanding market dynamics of the Real Estate Buildings i.e. Strategy and Planning
5. Finance, Accounts and Audit
6. Governance including legal Compliance



Name of the Directors	Skill sets						
	Strategy and Planning	Governance and Compliance	Design of Buildings	Construction of Civil Structures and Modular Structures	Managing vast pool of Manpower and other resources	Finance Accounts and Audit	Statutory and Legal
Mr. Siddharth Vasudevan Moorthy	Expert	Expert	Expert	Expert	Expert	Expert	Proficient
Mr. K. G. Krishnamurthy	Expert	Expert	Proficient	Proficient	Expert	Expert	Proficient
Ms. Sowmya Aditya Moorthy	Expert	Expert	Expert	Expert	Proficient	Proficient	Proficient
Mr. Mukesh Satpal Malhotra	Expert	Expert	Proficient	Proficient	Expert	Proficient	Expert
Dr. Santosh Sundararajan	Expert	Expert	Expert	Expert	Expert	Expert	Proficient
Sankaramahalingam Balasubramanian	Expert	Expert	Proficient	Proficient	Expert	Expert	Expert
Tara Subramaniam	Expert	Expert	Proficient	Proficient	Expert	Expert	Expert

• **Audit Committee**

Audit Committee of the Company is duly constituted and comprises of 4 directors. Out of four directors three are independent. All the members of the Audit Committee are financially literate. Moreover, the Chairman and members of the Audit Committee have accounting or related financial management expertise.

The Statutory Auditors also make their presentations at the Committee meetings.

The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under Companies Act, 2013 and the Listing Regulations.

Further, In terms of Sch V(C)(10)(j) of the SEBI (LODR) Regulations, 2015: "There was no instance, where the Board had not accepted any recommendation of any committee of the Board which was mandatorily required to be accepted".

Terms of Reference of Audit Committee are broadly as under:

The Audit Committee has the following powers and responsibilities including but not limited to:

1. Supervise the financial reporting process.
2. Review the quarterly and annual financial results before placing them to the Board along with the related disclosures and filing requirements.
3. Review the adequacy of internal controls in the Company, including the plan, scope and performance of the internal audit function.
4. Discuss with management, the Company's major policies with respect to risk assessment and risk management
5. Hold discussions with statutory auditors on the nature, scope and process of audits and any views that they have about the financial control and reporting processes.
6. Ensure compliance with accounting standards and with listing requirements with respect to the financial statements.
7. Recommend the appointment and removal of external auditors and their remuneration.
8. Recommend the appointment of cost auditors.
9. Review the independence of auditors.
10. Ensure that adequate safeguards have been taken for legal compliance for both the Company and its other Indian as well as foreign subsidiaries.
11. Review the financial statements, in particular, investments made by all the subsidiary companies.
12. Review and approval of related party transactions.
13. Review the functioning of whistle-blower mechanism.
14. Review the implementation of applicable provisions of various acts.

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15. Scrutiny of inter-corporate loans and investments.
16. Valuation of undertakings or assets of the Company, wherever it is necessary.
17. Evaluation of internal financial controls.
18. Review the suspected fraud as committed against the Company.
19. Recommendation for appointment, remuneration and terms of appointment of auditors of Listed Entity.
20. Reviewing the utilization of loans and/or advances from/ investment by the Holding Company in the subsidiary exceeding Rupees 100 crores or 10% of asset size of subsidiary, whichever is lower including the existing loans/ advances/investments existing as on the April 01, 2023.
21. Review of compliance with respect to provisions of SEBI (Prohibition of Insider Trading Code) 2015 atleast once a year.

Meetings and Attendance

During 2023-24, the Audit Committee met five times, viz. May 15, 2023, August 08 2023, September 26 2023, November 07 2023 and February 7 2024. The meetings were scheduled well in advance. The gap between any two meetings has been less than one hundred and twenty days.

In addition to the members of the Audit Committee, these meetings were attended by the CFO, CEO, and Statutory Auditors of the Company and those executives who were considered necessary for providing inputs to the Committee.

The Company Secretary acted as the Secretary to the Audit Committee.

Composition of Audit Committee and attendance record of the members

Name of the Director	Category	No of meetings attended (out of 5)
Mr. K. G. Krishnamurthy	Chairman, Non-Executive-Independent Director	4
Mr. Mukesh Malhotra	Member, Non-Executive-Independent Director	5
Mr. Siddharth Vasudevan Moorthy	Member, Managing Director	5
Ms. Tara Subramaniam	Member, Non-Executive-Independent Director	5

Pursuant to the terms of reference, the Audit Committee, inter alia, discussed and deliberated on the financial results, appointment/re-appointment and remuneration of Statutory Auditors, review of internal audit functions, review and approval of related party transactions including granting of omnibus approval for the proposed transactions, review of investment related reports of the Company, etc.

Mr. K. G. Krishnamurthy, Chairman of the Audit Committee, was present to answer shareholders queries at the Annual General Meeting of the Company held on September 26, 2023.

Company Secretary acted as the secretary of the Committee

• Nomination and Remuneration Committee

The Nomination and Remuneration Committee is duly constituted and comprises of three directors.

During 2023-24, the Committee met five times, on May 15, 2023, August 08 2023, November 07 2023, February 7 2024 and March 11 2024.

Composition of Nomination and Remuneration Committee and attendance record of the members

Name of the Director	Category	No of meetings attended (out of 5)
Mr. K. G. Krishnamurthy	Chairman, Non-Executive, Independent	5
Mr. Mukesh Malhotra	Member, Non-Executive, Independent	5
Ms. Sowmya Aditya Iyer	Member, Non-Executive, Non-Independent	3

Company Secretary acted as the secretary of the Committee

Terms of reference of the Nomination and Remuneration Committee ('NRC') are broadly asunder:

The Committee has the following powers and responsibilities including but not limited to:

1. examine the structure, composition and functioning of the Board, and recommend changes, as necessary, to improve the Board's effectiveness.

2. formulate policies on remuneration of Directors, KMPs and other employees and on Board diversity.
3. formulate criteria for evaluation of Independent Directors and the Board.
4. assess the Company's policies and processes in key areas of corporate governance, other than those explicitly assigned to other Board Committees, with a view to ensure that the Company is at the forefront of good governance practices.
5. regularly examine ways to strengthen the Company's organisational health, by improving the hiring, retention, motivation, development, deployment and behavior of management and other employees. In this context, the Committee also reviews the framework and processes for motivating and rewarding performance at all levels of the organisation, reviews the resulting compensation awards, and makes appropriate proposals for Board approval. In particular, it recommends all forms of compensation to be granted to the Executive Directors, KMPs and senior management of the Company.
6. recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. the NRC shall attend to any other responsibility as maybe entrusted by the Board.

Framework for Performance Evaluation of Independent Directors and the Board

Pursuant to the provisions of Section 134 (3)(p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, annual performance evaluation of the Directors as well as of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, and individual directors, has been carried out. As a part of the annual Board evaluation, detailed questionnaires were circulated to all the Directors. On the basis of responses received on these questionnaires, the Chairman of the Board and the Chairman of the Nomination and Remuneration Committee evaluated the Board's performance and that of its committees. The performance evaluation of the Independent Directors was carried out by the entire Board and the performance Evaluation of the Chairman and Non- Independent Directors was carried out by the Independent Directors. Further, the Board hereby confirms that all the Independent Directors fulfill the conditions as specified under Regulation 16 of the Listing Regulations and further the Board also confirms that they are independent of the management.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted on June 11, 2007, It was re-constituted on March 03, 2023 upon appointment of Ms. Tara Subramaniam to specially oversee and redress the issues pertaining to Investor Grievances.

Composition of Stakeholders Relationship Committee and attendance record of the members

Name of the Director	Category	No of meetings attended (out of 4)
Mr. K. G. Krishnamurthy	Chairman, Non-Executive, Independent Director	3
Mr. Mukesh Malhotra	Member, Non-Executive, Independent Director	4
Mr. Siddharth Vasudevan Moorthy	Member, Managing Director	4
Ms. Tara Subramaniam	Member, Non-Executive, Independent Director	4

Company Secretary acted as the Secretary of the Committee Details of the investor complaints received during the year 2023-24:

No. of complaints at the beginning of the year	No. of shareholder complaints received	No. of complaints resolved	No. of complaints pending to be resolved at the end of the year
April 1, 2023 to June 30, 2023	0	0	0
July 1, 2023 to September 30, 2023	0	0	0
October 1, 2023 to December 31, 2023	2	2	0
January 1, 2024 to March 31, 2024	3	3	0

Terms of reference of the Stakeholders Relationship Committee are broadly as under:

The Committee has the following powers and responsibilities including but not limited to:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders

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3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by Registrar and Share Transfer Agent
4. Review of the various measures and initiatives taken by the listed entity for reducing the Quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

- **Risk Management Committee**

In terms of Regulation 21(5) of the Listing Regulations, the Company wasn't required to constitute Risk Management Committee.

Remuneration of Directors

- **Pecuniary relationships with non-executive directors**

During the Financial Year 2023-24, there were no material pecuniary relationships or transactions with any non-executive director of the Company except payment of sitting fees for attending board and committee meetings.

- **Criteria for making payment to Non-Executive directors**

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making; provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

They are not paid anything apart sitting fees for the Board meetings attended by them

- **Non-Executive Directors**

Non-executive directors are paid sitting fees as separately stated in this Report.

- **Managing Director**

During the year under review, Company has paid remuneration to Mr. Siddharth Vasudevan Moorthy, Managing Director and Mr. Santosh Sundararajan, Whole Time Director and Group Chief Executive Officer of the Company and their details of which forms a part of MGT-7. The same is placed on Company's website.

- **Details of Remuneration to directors**

During the financial year under review, the details of remuneration paid to Directors are as provided in Form MGT-7 (Annual Return) as placed on Company website at <https://www.vascon.com/investors/services> and is also disclosed elsewhere in the Report.

- **Shareholding of Directors**

Information on shares held by Directors as on March 31, 2024 is provided in Form MGT-7 (Annual Return) as placed on Company's website at <https://www.vascon.com/investors/services> and is also disclosed elsewhere in this report.

Disclosure of Material Transactions

Under Regulation 26(5) of SEBI Listing Regulations, 2015, the Senior Management has made disclosures to the Board stating that there were no material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

Means of Communication

Quarterly, half-yearly, annual financial results and other public notices issued for the shareholders of Company are published in leading dailies, such as Financial Express: English Edition and Loksatta - Marathi Edition.

The Company has its own website www.vascon.com which contains all important public domain information including presentations, if any, made to the media, analysts and institutional investors. The website contains information as prescribed under Companies Act, 2013 and SEBI Listing Regulations, 2015, including details of the corporate contact persons and share transfer agent of the Company, shareholding pattern, etc.

Sections 20 and 129 of Companies Act, 2013 read with Companies (Accounts) Amendment Rules, 2017, permit companies to service delivery of documents electronically on the registered members'/shareholders' email addresses. The Company, during the year under review, sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report, etc. in electronic form to the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form upon request.

All financial and other vital official news releases and documents under SEBI Listing Regulations, 2015, are also communicated to the concerned stock exchanges, besides being placed on the Company's website. www.vascon.com

Information on General body Meetings and details of Special Resolutions passed

The details of last 3 AGMs are as under

Details of AGM	Date and Time of AGM	Details of Special Resolution(s) passed at AGM
September 28, 2021 at 11:30 A.M.	Video-Conferencing/Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Mukesh Malhotra (DIN: 00129504) as Non-Executive Director 2. To amend the Articles of Association of the Company 3. To appoint Mr. Vasudevan Ramamoorthy as Chairman Emeritus 4. To appoint Dr. Santosh Sundararajan (DIN: 00015229) as Whole time Director designated as Whole time Director and Group CEO of the Company 5. Variation in terms of Vascon Engineers Limited Employees Stock Option Scheme 2017 (ESOS2017)-Change in Vesting Schedule of outstanding options to be granted to Employees who are entitled to participate in the Scheme
September 28, 2022 at 11:30 A.M.	Video-Conferencing/Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> 1. Appointment of Mr. Sankaramahalingam Balasubramanian (DIN: 06622735) as Non-Executive Independent Director for a first term of five years. 2. Approval for payment of remuneration to Mr. Siddharth Vasudevan Moorthy as Managing Director of the Company. 3. Authorisation under Section 186 of the Companies Act, 2013.
September 26, 2023 at 10.30 A.M.	Physical Meeting/Other Audio-Visual Means (OAVM)	<ol style="list-style-type: none"> 1. Approval for Payment of Remuneration to Dr. Santosh Sundararajan, Whole Time Director and Group Chief Executive Officer (Din: 00015229) 2. To Approve Payment of Remuneration to Non-Executive Directors by way Of coverage In Insurance Scheme

All the resolutions moved at the last 3 Annual General Meetings were passed by requisite majority of Members.

EXTRA-ORDINARY GENERAL MEETINGS/ POSTAL BALLOTS:

Extra-Ordinary General Meetings were held during the Financial Year 2023-24 under the review.

During the year 2023-24, one Extra-ordinary General Meeting (EGM) of the Members of the Company was held and the details are as follows:

Day, Date, Time of EGM	Venue	Resolution passed
December 23, 2023 at 1100 Hours	Video-Conferencing/Other Audio-Visual Means (OAVM)	Issuance of Securities through Qualified Institutional Placement

Details of resolution passed through Postal Ballot during Financial Year 2023-24 and details of the voting pattern**Appointment of Ms. Tara Subramaniam as Non Executive Independent Woman Director**

During the year under review, appointment of Mrs. Tara Subramaniam (DIN 07654007) as the Non Executive Independent Woman Director of the Company for a term of 5 years w.e.f. March 03 2023 was approved by members of the Company through postal ballot.

In accordance with applicable Circulars issued by the Ministry of Corporate Affairs ("MCA Circulars"), the said resolution was proposed to be passed by means of Postal Ballot, only by way of remote e-voting process ("e-voting"). The Company had engaged the services of KFin Technologies Limited ("KFin") as the agency to provide e-voting facility.

During the year 2023-24, the company has conducted Postal Ballot in accordance with Section 110 of the companies act, 2013, read with Rule 22 of the companies (management and administration) Rules, 2014. the company has sent the Postal Ballot notice(s) together with Postal Ballot Form to the members of the company for seeking their approval to the business listed therein. The company has also provided its members with an e-voting facility through Kfin Technologies limited (KFIN), in accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of companies (Management and Administration)

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amendment Rules, 2015 and Regulation 44 of the SEBI listing Regulations, in order to enable them to exercise their voting rights by way of electronic means on the resolution(s) proposed through Postal Ballot(s). The company has complied with the procedure for Postal Ballot in terms of the provision of Section 110 of the companies act, 2013 read with Rule 22 of the companies (Management and Administration) Rules, 2014. Mrs. Savita Jyoti, Proprietor of M/s Savita Jyoti Associates, Practicing Company Secretaries, Secunderabad, was appointed as a scrutinizer for scrutinizing voting (e-voting) in a fair and transparent manner for both the postal ballot conducted by the company during the year.

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders as per the permitted mode wherever applicable. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 2 working days of conclusion of the voting period. The results are displayed on the website of the Company (www.vascon.com), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.”

In accordance with MCA General Circular no 09/2023 dated September 25, 2023 in continuation with the circulars issued earlier in this regard), resolution was proposed to be passed by means of Postal Ballot, only by way of remote e-voting process (“e-voting”).

The Company had engaged the services of KFin Technologies Limited (“KFin”) as the agency to provide e-voting facility. Mrs Savita Jyoti, Practising Company Secretaries, (Membership No.:F3738 and Certificate of Practice No.:1796), Proprietor, M/s Savita Jyoti Associates acted as Scrutiniser for conducting the Postal Ballot in a fair and transparent manner. In accordance with the MCA Circulars, the Postal Ballot Notice dated April 28,2023, was sent only by electronic mode to those members whose names appeared in the Register of Members/ List of Beneficial Owners as on April 21,2023 (“Cut-Off Date”) received from the Depositories and whose e-mail addresses were registered with the Company/ Depositories. Instructions for voting by (i) individual shareholders holding shares of the Company in demat mode, (ii) Shareholders other than individuals holding shares of the Company in demat mode, (iii) Shareholders holding shares of the Company in physical mode, and (iv) Shareholders who have not registered their e-mail address, were explained in the Postal Ballot Notice.

During the Financial Year 2023-24, one postal ballot was carried out. The details are:

Sr. No.	Particulars	Approval of Appointment of Ms. Tara Subramaniam (DIN: 07654007) as the Non-Executive Independent Woman Director of the Company for a term of 5 years w.e.f March 03, 2023 and continuation of holding of office of Non-Executive Independent Woman Director on attaining the age of 75 Years during the said term.
1.	Type of Resolution	Special Resolution
2.	E-voting Period	From 09:00 a.m. on Saturday, April 29, 2023 till 05:00 p.m. on Sunday, May 28, 2023
3.	Date of Result	Passed with requisite majority on May 28, 2023
4.	Submission of Scrutiniser report and announcement of results	May 29, 2023
5.	% Votes in favour of the Resolution	99.97%
6.	% Votes against the Resolution	0.03%

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

Other Disclosures:

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large.

There were no materially significant related party transactions entered into during the 2023-24, which may have any potential conflict with the interests of the Company at large.

b. Details of Non-Compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of Stock Exchanges on matters related to capital market during last 3 financial years. No penalties or strictures to be imposed on the Company.

c. Details of establishment of Vigil Mechanism/ whistle blower policy and affirmation that no personnel has been denied access to the audit committee:

The Company has a whistle blower policy (Whistle Blower/Vigil Mechanism) to report concerns. Under this policy, provisions have been made to safeguard persons who use this mechanism from victimization.

An Independent Member of Audit Committee is the Chief of Vigil Mechanism. The policy also provides access to the Chairperson of the Audit Committee under certain circumstances. The details of the procedure are also available on Company's website <https://www.vascon.com/investors/services>

It is confirmed that no personnel has been denied access to the audit Committee.

d. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations. Your Company has complied with all the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

Your Company has complied with all the requirements of corporate governance report as specified in sub-para (1) to (13) of Schedule V (C) of the Listing Regulations

e. Details of utilization of funds raised through preferential allotment or QIP as specified under Regulation 32 (7A) –

During the year under review, no funds were raised through Preferential Allotment or QIP.

f. CEO & CFO Certificate

As required under Regulation 17(8) of SEBI Listing Regulations, CEO & CFO have jointly certified to the Board regarding Financial Statements and internal controls relating financial reporting for the year ended March 31, 2024.

g. Secretarial Auditor's Certificate on Corporate Governance

Certificate from the Company's Secretarial Auditor Mr. Amit Jaste of M/s Amit Jaste & Associates, Practising Company Secretaries (Membership no.: F7289 and Certificate of Practice No.: 12234) confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

h. Compliance of mandatory and discretionary requirements Company has complied with mandatory requirements of the SEBI Listing Regulations, 2015

The Company has also complied with the discretionary requirements during the Financial Year under review as under:

a. The Board:

The Company has appointed separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson is –

- (a) an non-executive director; and
- (b) not related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.

b. Modified opinion(s) in audit report

The Company confirms that its financial statements are with unmodified audit opinion.

c. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

d. Shareholders rights

Considering the dynamic shareholder demography and trading on the stock exchanges, as a prudent measure, we display our quarterly and half yearly results on our website <https://www.vascon.com/> and also publish our results in widely circulated newspapers.

We also publish the voting results of shareholder meetings and make it available on our website <https://www.vascon.com/>, report the same to Stock Exchanges in terms of Regulation 44 of the Listing Regulations.

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i. Statutory Auditors

M/s Sharp & Tannan Associates, Chartered Accountants are the Statutory Auditors of the Company. Total Fees for all services paid by the Listed Entity and its subsidiaries on a consolidated basis to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

(Amount in Lakhs)

Sr. No	Particulars	Statutory Audit Fees	Other Services
1	Vascon Engineers Limited	37.50	32.55
2	GMP Technical Solutions Private Limited	9.25	5.70

j. Disclosure under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. There was no complaint during the year under Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal) Act, 2013:

Sr. No	No. of complaints filed during the year	No of complaints dissolved during the year	No. of complaints pending at the end of the year
1	-	-	-

During the financial year under review, the Company has not received any complaint under the Act.

k. Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':

During the year under review, the Company has not given any loans and advances in the nature of loans to its subsidiaries or associate or loans and advances in the nature of loans to firms/ companies in which Directors are interested.

Accordingly, the disclosure of particulars of loans/advances, etc., as required to be furnished in the Annual Accounts of the Company pursuant to Regulation 34(3) and 53(f) read with paragraph A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

Shareholders Means of Communication

a. Quarterly and Annual Results

Quarterly and annual results of the Company are published in widely circulated national newspapers such as Indian Express and the local vernacular daily, Loksatta. These are made available on the Company's Website <https://www.vascon.com/investors/quarterlyfinancials-presentations>

b. News Releases, Presentation etc

The Company has established systems and procedures to disseminate relevant information to its stakeholders, including shareholders, analysts, suppliers, customers, employees and the society at large.

c. Communication of results

Means of Communications	Number of times during 2023-24
Earnings Calls	04
Publication of results	04
Analysts/Investors Meetings/Analyst Day	Details are provided in the MD&A Report forming part of this Annual Report.

d. Website

The primary source of information regarding the operations of the Company is the corporate website: <https://www.vascon.com/>. All official news releases and presentations made to institutional investors and analysts are posted here. It contains a separate dedicated Investors' section, where the information for shareholders is available.

e. Annual Report

The Company's annual report containing, inter alia, the Boards' Report, Corporate Governance Report, Management's Discussion and Analysis (MD&A) Report, Audited Standalone and Consolidated Financial Statements, Auditors' Report and other important information is circulated to members and others so entitled. The annual report is also available on the website in a downloadable form.

f. Compliances with Stock Exchanges

The National Stock Exchange Ltd (NSE) and BSE Ltd. maintain separate online portals for electronic submission of information by listed companies. Various communications such as notices, press releases and the regular quarterly, half-yearly and annual compliances and disclosures are filed electronically on these online portals.

g. Designated Exclusive Email ID

In terms of Regulation 6(2)(d) of the Listing Regulations, Vascon has designated an email exclusively for investor service: compliance.officer@vascon.com

GENERAL SHAREHOLDERS INFORMATION**a. Details of Annual General Meeting**

In line with the MCA Circular No. 09/2023 dated September 25, 2023 (In continuation with the Circulars issued earlier in this regard) and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, this Notice along with the Integrated Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose email addresses are registered with the Company/Depositories/ Depository Participants/KFintech. Members may note that the Notice and Integrated Annual Report 2023-24 will also be available on the Company's website www.vascon.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Kfintech at <https://evoting.kfintech.com/showallevents.aspx>. Hard copy of the full Integrated Annual Report will be sent to shareholders who request for the same.

The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., date and time of AGM, venue of the AGM, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses, and other matters as may be required.

39th Annual General Meeting of Vascon Engineers Limited

Venue: Royal Orchid Golden Suites, Golden Nest, Opp. Cerebrum IT Park, Kalyani Nagar Pune-411014

Date : September 20, 2024

Time : 1130 hours

**Compliance Officer of the Company
Ms. Neelam Pipada (W.e.f. July 17, 2024)**

Company Secretary & Compliance Officer

T: +91-20-30562200

F: +91-20-30562600

Email: compliance.officer@vascon.com

Website: www.vascon.com

CIN: L70100PN1986PLC175750

b. Financial Year

The Financial Year is 1st April to 31st March.

c. Dividend Payment Date: The Board has declared and paid the interim Dividend for FY 2023-24**d. Financial Results on the Company's website:** The annual results of the Company are published in the newspapers in India, Indian Express; English Edition and Loksatta, Marathi Edition and also displayed on its web site www.vascon.com. Presentations to analysts, as and when made, are immediately placed on the website for the benefit of the shareholders and public at large.**e. Listing on Stock Exchange:** The Company's equity shares are listed on National Stock Exchange of India Ltd (NSE) and BSE Limited (BSE).**(i) Following table indicates your Company's Stock Exchange codes:**

National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	VASCONEQ
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	533156
ISIN	INE893I01013

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(ii) Listing fees for the financial year has been paid in full to both the stock exchanges.

f. Master Price Data:

Month and Year	NSE		BSE	
	High	Low	High	Low
April 2023	32.00	25.05	31.80	25.30
May 2023	42.15	30.90	42.08	31.00
June 2023	45.60	36.80	45.55	36.99
July 2023	47.70	41.65	47.69	41.70
August 2023	65.70	43.40	65.57	43.45
September 2023	62.90	50.50	62.89	50.41
October 2023	83.30	59.00	83.84	58.75
November 2023	84.50	73.10	84.50	73.20
December 2023	78.40	67.00	78.29	66.47
January 2024	91.85	70.10	91.84	70.38
February 2024	93.15	71.30	93.10	71.27
March 2024	78.00	53.65	77.94	53.70

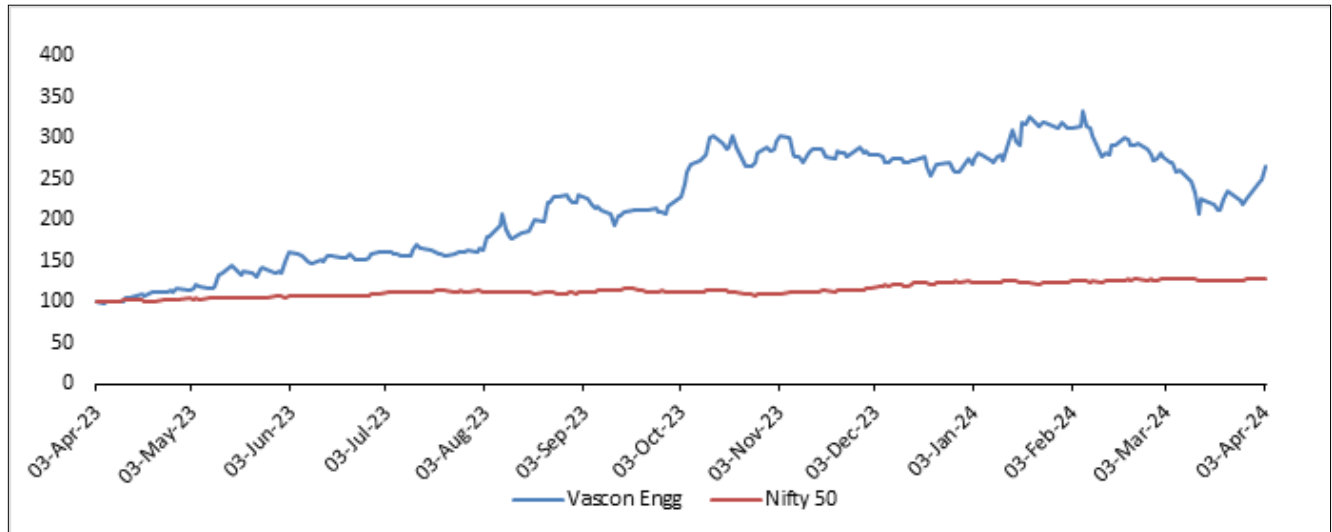
g. Share Price Chart

Company's share Price Movement

Share Price Movement Indexed to 100



Share Price Movement Indexed to 100



h. Plant Location

In view of the nature of business activities carried out by the Company, it doesn't have any manufacturing plant location. However, the details of major site location are mentioned elsewhere in the report.

i. Description of voting rights- All our equity shares carry voting rights on pari passu basis.

j. Distribution of Shareholding of the Company as on March 31, 2024

Distribution Schedule as on 31/03/2024 (Total)					
Sno	Category	No. of Cases	% of Cases	Amount	% of Amount
1	1-5000	65758	74.50	100121190	4.52
2	5001- 10000	10052	11.39	83738050	3.78
3	10001- 20000	5669	6.42	88604230	4.00
4	20001- 30000	2128	2.42	55631960	2.51
5	30001- 40000	921	1.04	33324990	1.50
6	40001- 50000	1017	1.15	49009710	2.21
7	50001- 100000	1403	1.59	105898350	4.79
8	100001 & Above	1303	1.48	16986842630	76.67
	Total:			2213171110	100

k. Shareholding Pattern of the Company as on March 31, 2024

Sr No	Description	No. of Cases	Total Shares	% Equity
1	RESIDENT INDIVIDUALS	84822	101786626	45.9913
2	PROMOTER TRUST	1	32411735	14.6449
3	PROMOTERS	6	27971910	12.6388
4	BODIES CORPORATES	393	26587918	12.0135
5	KEY MANAGEMENT PERSONNEL	2	10664637	4.8187
6	PROMOTERS BODIES CORPORATE	1	9599275	4.3373
7	H U F	2042	4598627	2.0778
8	EMPLOYEES	54	3515696	1.5885
9	FOREIGN PORTFOLIO – CORP	17	1975015	0.8924
10	NON RESIDENT INDIANS	519	979775	0.4427

VASCON ENGINEERS LIMITED

Sr No	Description	No. of Cases	Total Shares	% Equity
11	NON RESIDENT INDIAN NON REPATRIABLE	354	895877	0.4048
12	ALTERNATIVE INVESTMENT FUND	2	206893	0.0935
13	MUTUAL FUNDS	1	114750	0.0518
14	I E P F	1	3592	0.0016
15	TRUSTS	2	2900	0.0013
16	CLEARING MEMBERS	3	1085	0.0005
17	BANKS	1	800	0.0004
	Total	88221	221317111	100

i. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity:

No instrument is outstanding for Conversion and/or allotment.

m. Investor Complaints

Investor Complaints Status as on March 31, 2024:

Particulars	No. of Complaints Received	No. of Complaints Resolved	No. of Complaints Pending
April 1, 2023 to June 30, 2023	0	0	0
July 1, 2023 to September 30, 2023	0	0	0
October 1, 2023 to December 31, 2023	2	2	0
January 1, 2024 to March 31, 2024	3	3	0

Due Dates for Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link <https://www.vascon.com/investors>. The said details have also been uploaded on the website of IEPF Authority and the same can be accessed through the link: <http://www.iepf.gov.in/>

n. Commodity Price Risk or Hedging Transaction

The Company may be affected by the variation in the prices of input commodities of its EPC and Real Estate Projects. The Company does not indulge in commodity hedging activities and accordingly, no commodity hedging activities are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

o. Credit Rating

The Company's financial prudence is reflected in the credit ratings ascribed by Rating Agencies as given below:

Instrument	Rating Agency	Rating	Outlook
Long Term Ratings (Fund Based Facilities)	CRISIL	BBB+	Stable (Upgraded)
Short Term Ratings (Non-Fund Based Facilities)	CRISIL	A2	(Upgraded)

p. Dematerialization of shares

As stipulated by SEBI, a qualified Practising Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form with the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is placed before the Board of Directors of the Company. The audit, inter alia, confirms that the listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL, CDSL and the total number of shares in physical form.

As on March 31, 2024, 100 percent of the total equity capital was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The Company's shares are regularly traded on BSE and NSE.

Shares held in demat and physical form as on March 31, 2024 were as follows:

Category	No. of shares	% to total Equity
Demat Mode	217317111	100%
Physical Shares	0	0
Total	217317111	100%

SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts and email IDs with the respective depository participants to enable us to provide better service.

q. Share Transfer system:

The Company's Shares are covered under the compulsory dematerialization and are transferred through the depository system. The Board has delegated the authority for approving the transfer to Shareholders Relationship Committee. The Company has obtained yearly certificate from Practising Company Secretary as per Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is filed with Stock Exchanges.

r. Shareholders' Correspondence:

Ministry of Corporate Affairs ("MCA") has vide CircularNo.17/ 2011 dated 21st April, 2011 allowed the service of documents on members by a company through electronic mode. Accordingly the Company proposes to send documents like Shareholders Meeting Notice/ other notices, audited financial statements, directors' report, auditors' report or any other document, to its members in electronic form at the email address provided by them and/or made available to the Company by their Depositories. Members who have not yet registered their email id (including those who wish to change their already registered email id) may get the same registered/ updated either with their Depositories or by writing to the company (by filling & sending the prepaid inland letter attached with the Annual Report).

s. Registrar & Transfer Agents for all matters relating to transfer/ dematerialization of shares, payment of dividend, IPO refunds/demat credits at

The Company's Share are covered under the compulsorily dematerialization and are transferred through the depository system. The Board has delegated the authority for approving the transfer to Shareholders Relationship Committee. The Company has obtained yearly certificate from Practising Company Secretary as per Regulation 40(9) of the Listing Regulations and the same is filed with Stock Exchanges.

KFin Technologies Limited

Selenium Building, Tower- B, Plot No. 31-32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana India – 500 032
CIN L72400TG2017PLC117649
Telephone: +91 40 6716 2222
Facsimile: +91 40 2343 1551

Investor grievance id: einward.ris@kfintech.com, rajitha.cholleti@kfintech.com

Website: <https://www.kfintech.com/>

Contact Person: Mr. Rajitha Cholleti, Deputy Vice President- Corporate Registry

SEBI Registration No.: INR000000221

Telephone: +91 40 6716 2222

Facsimile: +91 40 2343 1551

Toll free : 18003094001

OR

• VASCON ENGINEERS LIMITED

Ms. Neelam Pipada

Vascon Weikfield Chambers

Opp. Hyatt Hotel, Behind Hotel Novotel, Pune-Nagar Road, Vimannagar, Pune – 411 014

Contact: 020-30562200; Fax: 020-30562600

Website: www.vascon.com

Email: compliance.officer@vascon.com

Annexure-A

Nomination and Remuneration Policy

1. Purpose of this Policy:

Vascon Engineers Limited (“Vascon” or the “Company”) has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the “Policy”) as required by the provisions of Section 178 of the Companies Act, 2013 (the Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The purpose of this Policy is to establish and govern the procedure applicable:

- a. To evaluate the performance of the members of the Board.
- b. To ensure remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

2. Definitions:

Independent Director means a director referred to in Section 149(6) of the Act and the Clause 49, as amended from time to time.

Key Managerial Personnel (the “KMP”) shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and applicable Listing Regulations.

Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Key Managerial Personnel means

- i) The Managing Director or Chief Executive Officer or Manager
- ii) Whole Time Director
- iii) The Company Secretary
- iv) The Chief Financial Officer and
- v) Any other person as defined under the Companies Act, 2013 from time to time.

Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or in the Listing Regulations or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. Composition of the Committee:

The composition of the Committee is / shall be in compliance with the Act, Rules made thereunder and the Listing Regulations, as amended from time to time.

4. Role of the Committee:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this Policy;

- c. Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d. Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e. To devise a Policy on Board diversity.
- f. Whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of Independent Director

5. Appointment and removal of Director, KMP and Senior Management:

i. Appointment criteria and qualification:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment. For the appointment of KMP (other than Managing / Whole-time Director) or Senior Management, a person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole-time Director) or Senior Management, the Managing Director is authorised to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

ii. Term:

a. Managing Director/Whole Time Director:

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to applicable regulations in force.

c. Whereas the term of the KMP (other than the Managing / Whole-time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

iii. Evaluation:

The Committee shall carry out evaluation of performance of every Director. The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. Framework for performance evaluation of Independent Directors and the Board is as per Annexure A to this Policy.

iv. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

6. Board Diversity

The Board of Directors shall have the optimum combination of Directors from different areas/fields of expertise and experience like Operations, Management, Quality Assurance, Finance, Sales and Marketing, Supply Chain, Research and Development, Human Resources etc., or as may be considered appropriate. The Board shall have at least one member who has accounting

VASCON ENGINEERS LIMITED

or related financial management expertise and at least three members who are financially literate.

At least one member of the Board should be a woman.

7. Remuneration of Managing / Whole-time Director, KMP and Senior Management:

The remuneration / compensation / commission, etc., as the case may be, to the Managing/ Whole time Director will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder. Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole-time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company.

8. Remuneration to Non-executive / Independent Director:

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive /Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the Clause 49, as amended from time to time.

FRAMEWORK FOR PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS AND THE BOARD:

As per the provisions of SEBI LISTING Regulations, the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, in terms of SEBI Listing Regulations, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The Board is committed to assessing its own strength and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

- i. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organise the evaluation process and act on its outcome;
- ii. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
 - Knowledge to perform the role;
 - Time and level of participation;
 - Performance of duties and level of oversight; and
 - Professional conduct and independence.

The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.

In terms of Section 134 of the Companies Act, 2013, the Directors' Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

POLICY REVIEW:

- (a) This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and the requirements of Listing Regulations with the Stock Exchanges.
- (b) In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- (c) This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

Annexure-B

Framework for Separate Meeting of Independent Directors

As required by the provisions of Schedule IV to the Act and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold atleast one meeting in a year, without the attendance of Non-Independent Directors and members of the Management.

The meeting shall:

1. Review the performance of Non-Independent Directors and the Board as a whole
2. Review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors
3. Assess the Quality, Quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

Annexure-C

Policy on familiarisation program of Independent Directors

OBJECTIVES:

The familiarization programme for Independent Directors is outlined herein pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The familiarization programme aims to provide Independent Directors with the Construction Industry and Real Estate scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, to update the Independent Directors on a continuous basis on significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Independent directors on the roles, responsibilities rights and duties under the Companies Act 2013 and other relevant legislations.

INDUCTION, TRAINING AND FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

To familiarize a new Independent Director with the Company, a kit containing informative documents about the Company like Annual Report, Investor Presentations, Memorandum and Articles of Association etc is handed over to him/her. The Company believes that the Board be continuously empowered with the knowledge of latest developments in the Company's businesses and the external environment affecting the Company as a whole.

All our directors are aware and are also updated as and when required, of their role, responsibilities & liabilities. The Company holds Board meetings at its Corporate Office and also if necessary, in locations, where it operates. Site / factory visits are sometimes organized at various locations for the Directors. The Board of Directors has complete access to the information within the Company. Presentations are made regularly to the Board / Nomination & Remuneration (NRC)/ Audit Committee (AC) (minutes of AC & NRC are circulated to the Board), where Directors get an opportunity to interact with Senior Managers. Presentations, inter alia, cover business strategies, management structure, HR policy, management development and succession planning, quarterly and annual results, budgets, treasury policy, review of Internal Audit, risk management framework, operations of subsidiaries and associates, etc. Independent Directors have the freedom to interact with the Company's management. Interactions happen during Board / Committee meetings, when senior company personnel are asked to make presentations about performance to the Board. Such interactions also happen when these Directors meet senior management in Independent Company meetings and informal gatherings. Directors are also informed of the various developments in the Company through e-mails, newsletters, internal magazines, etc.

Annexure-D**Performance Evaluation of Independent Directors****Background:**

SEBI (LODR) Regulations, 2015 entered into between the Company and with BSE and NSE requires the Nomination and Remuneration Committee of the Board to lay down evaluation criteria for performance evaluation of Independent Directors.

Board of Directors shall take into consideration the following parameters for the purpose of evaluating the performance of a particular director.

The Company has chosen to adopt the following Board Performance and evaluation Process:

Board of Directors

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by the Independent Directors are set below:

Board Composition and Quality	
1.	The Board has appropriate expertise and experience to meet the best interests of the company
2.	The board has appropriate combination of industry knowledge and diversity (gender, experience, background)
3.	All the independent directors are independent in true letter and spirit i.e. whether the independent Director has given declaration of independence and they exercise their own judgement, voice their concerns and act freely from any conflicts of interests.
4.	Board members demonstrate highest level of integrity (including maintaining confidentiality and identifying, disclosing and managing conflicts of interests)
5.	The Board members spend sufficient time in understanding the vision, mission of the company and strategic and business plans, financial reporting risks and related internal controls and provides critical oversight on the same.
6.	The Board understands the legal requirements and obligations under which they act as a Board; i.e. bylaws, corporate governance manual etc. and discharge their functions accordingly.
7.	The Board has set its goals and measures its performance against them on annual basis.
8.	The Board has defined its stakeholders and has appropriate level of communication with them.
9.	The Board understands the line between oversight and management
10.	The board monitors compliances with corporate governance regulations and guidelines.
11.	An effective succession plan of board in place.
12.	The Board has the proper number of committees as required by legislation and guidelines, with well-defined terms of reference and reporting requirements.
Board Meetings and Procedures	
1.	The Annual Calendar of Board meetings is communicated well in advance and reviewed from time to time.
2.	The Board meeting agenda and related background papers are concise and provide information of appropriate quality and detail.
3.	The information is received by board members sufficiently in advance for proper consideration.
4.	Adequacy of attendance and participation by the board members at the board meetings.
5.	Frequency of Board Meetings is adequate.
6.	The facility for video conferencing for conducting meetings is robust
7.	Location of Board Meeting(As a good governance practice the Board meeting should be held at different places).
8.	The Board meetings encourage a high quality of discussions and decision making
9.	Openness to ideas and ability to challenge the practices and throwing up new ideas
10.	The amount of time spent on discussions on strategic and general issues is sufficient
11.	How effectively does the Board works collectively as a team in the best interest of the company
12.	The minutes of Board meetings are clear, accurate, consistent, complete and timely
13.	The actions arising from board meetings are properly followed up and reviewed in subsequent board meetings
14.	The processes are in place for ensuring that the board is kept fully informed on all material matters between meetings (including appropriate external information eg. emerging risks and material regulatory changes).

VASCON ENGINEERS LIMITED

15.	Adequacy of the separate meetings of independent directors
16.	Appropriateness of secretarial support made available to the Board
17.	The Board members understand the terms and conditions of D & O insurance.
18.	All proceedings and resolutions of the Board are recorded accurately, adequately and on a timely basis
Board Development	
1.	Appropriateness of the induction programme given to the new board members.
2.	Timeliness and appropriateness of ongoing development programmes to enhance skills of its members
3.	Appropriate development opportunities are encouraged and communicated well in time
Board Strategy and Risk Management	
1.	The time spent on issues relating to the strategic direction and not day-today management responsibilities
2.	Engaging with management in the strategic planning process, including corporate goals, objectives and overall operating and financial plans to achieve them.
3.	The Board has developed a strategic plan / policies and the same would meet the future requirement of the Company.
4.	The Board has sufficient understanding of the risk attached with the business structure and the Board uses appropriate risk management framework and whether board reviewed and understood the risks provided in the internal audit report and the management is taken sufficient steps to mitigate the risk.
5.	The Board evaluates the strategic plan/ policies periodically to assess the Company's performance, considers new opportunities and responds to unanticipated external developments.
6.	The Risk management framework is subject to review
7.	Monitoring the implementation of the long term strategic goals.
8.	Monitoring the company's internal controls and compliance with applicable laws and regulations
9.	The adequacy of Board contingency plans for addressing and dealing with crisis situations.
10.	Appropriateness of effective vigil mechanism
11.	The Board focuses its attention on long-term policy issues rather than short term administrative matters
12.	The Board discusses thoroughly the annual budget of the Company and its implications before approving it
13.	The Board periodically reviews the actual result of the Company vis-à-vis the plan/ policies devised earlier and suggests corrective measures, if required.
Board and Management Relations	
1.	The Board sets the overall tone and direction of the Company
2.	The Board has approved comprehensive policies and procedures for smooth conduct of all material activities by Company
3.	The Board has a range of appropriate performance indicators that are used to monitor the performance of management
4.	The Board is well informed on all issues (short and long-term) being faced by the Company
5.	The Board adequately reviews proposed departures from the long-and short- term business plans of the Company before they take place
Succession Planning	
1.	The Board has a succession plan for the Chairperson and the Chief Executive Officer / Managing Director
2.	The Board reviews the existing succession plan and if appropriate, make necessary changes by taking into account the current conditions

Non-Executive Director

Some of the specific issues and questions that should be considered in a performance evaluation of a Non-Independent Director/ WTD are as under:

General	
1	Qualifications: Whether the Director is professionally qualified or not?
2	Experience: Details of prior experience of the member, especially the experience relevant to the entity
3	Knowledge and Competency:
	i. Director has ability to remain focused at a governance level in Board/ Committee meetings
	ii. Director's contributions at Board / Committee meetings are of high quality and innovative
4	Fulfillment of Functions: Whether the person understands and fulfills the functions to him/her as assigned by the Board and the law
5	Ability to function as a team: Whether the Director is able to function as an effective team member?
6	Initiative: Whether Director is effective and successful in managing relationships with fellow Board members and senior management?
7	Availability and Attendance: Whether the person is available for the meetings of the Board and attends the meeting timely and without delay?
8	Commitment: Whether the person is adequately committed to the Board and the entity?
Contribution:	
9	Director understands governance, regulatory, financial, fiduciary and ethical requirements of the Board / Committee
10	Director actively and successfully refreshes his/ her knowledge and skills and up to date with the latest developments in areas such as corporate governance framework, financial reporting and the industry and market conditions.
11	Director is able to present his/ her views convincingly yet diplomatically
12	Director listens and takes on Board the views of other members of Board
Personal Attributes	
13	Director has maintained high standard of ethics and Integrity

Independent Directors

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director are as under:

1	Director upholds ethical standards of integrity and probity
2	Director exercises objective independent judgment in the best interest of Company
3	Director has effectively assisted the Company in implementing best corporate governance practice and then monitors the same
4	Director helps in bringing independent judgment during board deliberations on strategy, performance, risk management etc
5	Director keeps himself/ herself well informed about the Company and external environment in which it operates
6	Director acts within his authority and assists in protecting the legitimate interest of the Company, Shareholder and employees
7	Director maintains high level of confidentiality

Based on the above criteria, Board has to be assessed by giving a rating of Outstanding, Exceeds Expectation, Meets Expectation, Needs Improvement and Poor.

The process of evaluation shall be done by Independent Directors only. The performance of Committees of Board shall also be reviewed from time to time.

EXHIBIT-1

Declaration of the Managing Director on Compliance with Code of Business Conduct and Ethics

Vascon Engineers Limited has adopted a Code of Business Conduct and Ethics ('the Code') which applies to all employees and Directors of the Company, its subsidiaries and affiliates. Under the Code, it is the responsibility of all employees and Directors to familiarize themselves with the Code and comply with its standards.

I hereby certify that the Board members and senior management personnel of Vascon have affirmed compliance with the Code of the Company for the financial year 2023-24.

Sd/-

Dr. Santosh Sundararajan
Whole Time Director and Group CEO

Place: Pune

Date: August 14, 2024

CEO AND CFO CERTIFICATE TO THE BOARD PURSUANT TO REGULATION 17(8) OF THE LISTING REGULATIONS

Date: May 21, 2024

To

The Board of Directors

Vascon Engineers Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of Vascon Engineers Limited pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting. : **N.A.**

Sd/-

Dr. Santosh Sundararajan
Whole Time Director and Group CEO

Sd/-

Mr. Somnath Biswas
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

Vascon Engineers Limited

Vascon Weikfield Chambers,
Behind Hotel Novatel, Opposite Hyatt Hotel,
Pune Nagar Road, Pune MH 411014

We have examined the compliance of conditions of Corporate Governance by Vascon Engineers Limited (“the Company”), for the Year ended on March 31, 2024, as stipulated in regulations 17 to 27 and Clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) of the said Company with the relevant Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Listing Regulations.

We state that no Investor grievance was pending for a period exceeding one month against the Company as per the records maintained by the Company/ Stakeholders Relationship Committee.

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

For Amit Jaste & Associates
Practising Company Secretaries

Place: Mumbai
Date: 14/08/2024

Amit Jaste
Proprietor
FCS No.: 7289
C P No.: 12234
UDIN: F007289F000974191

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Vascon Engineers Limited
Vascon Weikfield Chambers,
Behind Hotel Novatel, Opposite Hyatt Hotel,
Pune Nagar Road, Pune MH 411014

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Vascon Engineers Limited** having CIN L70100PN1986PLC175750 and having registered office at Vascon Weikfield Chambers, Behind Hotel Novatel, Opposite Hyatt Hotel, Pune Nagar Road, Pune MH 411014 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	Director Identification Number	Date of Original Appointment
Siddharth Vasudevan Moorthy	02504124	29/03/2018
Santosh Pursram Sundararajan	00015229	31/05/2021
Mukesh Satpal Malhotra	00129504	17/05/2016
Kulumani Gopalratnam Krishnamurthy	00012579	23/09/2019
Sankaramahalingam Balasubramanian	06622735	26/11/2021
Sowmya Aditya Iyer	06470039	31/03/2015
Tara Subramaniam	07654007	03/03/2023

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

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste
Proprietor

FCS No.: 7289

C P No.: 12234

UDIN: F007289F000974200

Place: Mumbai
Date: 14/08/2024

MANAGEMENT DISCUSSION AND ANALYSIS

Company Overview

Vascon Engineers Ltd, established in 1986, is one of the leading Construction Engineering Company in India with presence in Real Estate business having an asset light model and Clean Room Partition manufacturing business. With a strong track record of ~40 years, your Company has created a number of projects of eminence and splendor on a timely basis. The Company has executed more than 200 projects with a construction area of over 45 Mn Sq. ft. and is known for maintaining high quality standards and timely execution of projects. Your Company has a track record of successful & timely execution of Landmark projects such as Ruby Mills (Mumbai), Suzlon One Earth (Pune), Symbiosis College (Pune), IGI Airport, Multilevel Car Parking (New Delhi), and also received its 2nd Redevelopment Project in Mumbai and many more.

Global Economy:

The global economy has shown impressive resilience despite facing multiple challenges such as supply chain disruptions, the conflict in the Middle East, and a significant surge in crude oil prices and global inflation. Contrary to many predictions of a recession, the world economy has remained stable, with the banking system holding strong and emerging markets performing well. Inflation has been decreasing almost as quickly as it increased, and global growth is expected to stabilize at around 3.2% for 2024 and 2025, with inflation predicted to fall to 2.4% by the end of 2025. This optimistic outlook is supported by strong employment growth and increased labor supply, partly due to immigration.

However, there are still challenges ahead. While inflation is improving, it remains high in the services sector. The global picture also hides significant differences between regions. The U.S. economy is thriving, but Europe is struggling with slow growth and potential labor market issues, and China is dealing with a prolonged property sector downturn and public debt concerns. Low-income countries are facing downgraded growth forecasts and increased inflation, making recovery difficult.

Higher real interest rates are putting pressure on sovereign debt, particularly in emerging markets. To foster sustainable growth, structural reforms, investment in digital infrastructure, human capital, and green technologies are essential. Global cooperation is vital to address these challenges, with a focus on reducing emissions and promoting green investments. ([Link](#))

Indian Economy:

India's economy is projected to grow at 7.8% in FY 2023-24, followed by around 6.5% in the subsequent two fiscal years. This growth will be driven mainly by public sector investments, while private consumption growth will trail. Exports, especially in IT and consulting services, are set to rise with increased foreign investment. Inflation is expected to decline gradually,

although food prices remain uncertain. Monetary policy is anticipated to ease in the latter half of the year if inflation stabilizes.

The 2024 Interim Union Budget targets a fiscal deficit of 5.1% of GDP for FY 2024-25, focusing on supporting vulnerable households amidst rising debt, which limits fiscal flexibility. Reforms, particularly in agriculture—where low productivity and widespread poverty demand substantial public subsidies—are crucial for sustainable growth.

In the latter half of FY 2023-24, India's growth surpassed expectations, buoyed by robust public investment in infrastructure and strong service exports. While private real estate demand remains high, private consumption is subdued, corroborated by a recent household expenditure survey. Indicators like E-way bills and toll collections show increased activity, but digital payments and cement output are flat. Urban job markets have improved, but rural employment under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has slowed, though it remains high. Tight monetary policies have helped curb inflation, which eased to 4.9% in March 2024, and core inflation stood at 3.2%.

Global challenges, such as the Middle East conflict affecting trade and declining diesel exports to Europe, pose risks to India's growth. Despite foreign capital inflows into Indian markets and increasing integration into global production networks, a significant shift of global supply chains to India from China has not materialized.

The Reserve Bank of India aims to maintain CPI inflation at 4% and is expected to start cutting policy rates in late 2024. Fiscal consolidation is essential due to high public debt, necessitating improved tax collection and spending efficiency. The FY 2024-25 budget aims to achieve a 5.1% deficit, with a detailed strategy to follow post-general elections. India's GDP growth is forecasted to slow to 6.6% in FY 2024-25, with fiscal consolidation impacting public investment. However, stronger private investment and export growth may offset this. Structural reforms, especially in agriculture, are critical to ensuring inclusive and sustainable growth, requiring significant changes in subsidies, price supports, and market regulations. ([Link](#))

The Vital Role of Infrastructure in India's Economic Growth

The infrastructure sector is pivotal to the expansion of the Indian economy, driving manufacturing and industrial growth which, in turn, elevates living standards and boosts aggregate demand. This sector encompasses electricity, roads, telecommunications, railways, irrigation, water supply and sanitation, ports, airports, warehousing facilities, and oil and gas pipelines.

Current Landscape

The Indian government has recognized the need to accelerate infrastructure development, both physical and digital, as a means to revive economic growth. Recent data shows a significant year-over-year increase in infrastructure output,

marking the second consecutive month of double-digit expansion. Increases were seen in the production of coal, cement, electricity, refinery products, fertilizers, steel, and natural gas, despite a slight decline in crude oil production.

Significant initiatives like the National Infrastructure Pipeline, National Monetization Pipeline, and PM GatiShakti National Master Plan are expected to accelerate infrastructure development and economic growth.

Budget Allocations

The Union Budget has allocated Rs. 10 Lakh Crore to enhance the infrastructure sector. This includes significant funding for the National Highways Authority of India (NHAI), the Department of Telecommunications (DoT), and Indian Railways (IR). Key projects include the expansion of the national highways network, improvement of regional air connectivity under the UDAN program, and ambitious plans for rail and waterway enhancements.

Remarkable Developments

- **Roadways:** The PM Gati Shakti initiative aims to complete 200,000 km of national highways by 2024-25.
- **Airways:** The UDAN program has made 415 routes and 66 airports operational.
- **Railways:** The Vande Bharat semi-high-speed trains and extensive electrification projects are transforming Indian Railways.
- **Waterways and Ports:** Significant capacity increases under the Sagarmala project.
- **Power & Electricity:** Extensive electrification under the Saubhagya and DDUGJY programs.

Outlook

While progress in the infrastructure sector has been slower compared to other sectors, the momentum is building, promising substantial and irreversible change. The Indian government's robust initiatives and investments are set to drive significant improvements, creating jobs, and fostering economic growth while aligning with climate change goals. This transformative journey will redefine India's infrastructure landscape, making it a cornerstone of the nation's development. ([Link](#))

Charting India's Economic Growth:

The Role of the Real Estate Sector

The Indian real estate sector has been a cornerstone of the country's economic growth, encompassing residential and commercial properties, retail and industrial spaces, and infrastructure development. According to a recent report by the builder's apex body, the sector is poised for significant expansion, with market size projections reaching USD 1.3 Trillion (13.8% of GDP) by FY 2034 and USD 5.17 Trillion (17.5% of GDP) by 2047. Additionally, an estimated 70 Million housing units will be needed by 2030 to meet growing demand.

This burgeoning demand underscores the sector's potential as a key economic pillar. Notably, regions like Delhi-NCR

are leading this growth, with a 3% increase in housing sales, establishing it as a major realty hub. The current real estate market, valued at Rs. 24 Lakh Crore, sees an 80-20 split between residential and commercial properties. The residential sector, in particular, is a vital driver, spurring infrastructural advancements such as roads, utilities, and schools. Gurgaon, for example, illustrates how improved infrastructure elevates living standards and stimulates local economies.

The commercial real estate sector also plays a crucial role, involving large-scale developments like office buildings, malls, hotels, and industrial parks. Cities with robust commercial real estate, like Noida, attract both domestic and international businesses, fostering business expansion and productivity. This growth creates jobs across construction, architecture, and property management, further boosting GDP and government revenues.

The report highlights that 61% of current residential supply is priced above Rs. 45 Lakh, with future demand expected to align similarly. As urbanization in India rises, projected to reach 40% by 2030, the demand for housing, commercial, and retail spaces will surge. This urban growth will attract global and local investors, driving business expansion and productivity.

Outlook

Overall, the residential and commercial real estate sectors are pivotal to India's economic growth, supporting wealth creation, infrastructure development, and job creation. As urbanization accelerates, the real estate sector will continue to enhance lifestyles and bolster economic activities, positioning India for a prosperous future. ([Link](#))

Financial Performance with respect to operational performance

Company Performance

The company witnessed strong execution backed by return of normalcy in overall economy. In FY24 all the projects were operating at optimum level enabling faster project execution. Company believes that the execution will continue to gather momentum going forward. As on March 2024, the net debt is recorded at Rs. 86.23 Crores which was mainly increased on the account of entering in JV for Real Estate Business and utilization of CC Limit in EPC business.

In addition, the company has received a rating upgrade from Rating Agency CRISIL during the FY 2023- 24 to **CRISIL BBB+/Stable for Long Term and CRISIL A2 for Short Term facilities**. The EPC segment during the year witnessed a fast-track execution of the projects.

During the FY 2023-24, EPC segment revenue stood at Rs. 711.11 Crores, major projects namely the Mumbai Police Staff Quarters, Medical College with District Hospital at Kaushambi and Bijnor , Vedanta - Barmer, Pune MRDA, and other projects are running smoothly. Post the resumption of normal business activities, the pandemic had no material impact on our execution. Your company closed the FY 2023-24 with the order book of **Rs. 3,365 Crores which is 5x times of FY24 revenue**. We are very much optimistic on the EPC segment to deliver strong performance in the future.

The real estate segment after various headwinds in the recent past is gaining traction. There is gradual recovery in the demand as the economy moves towards normalcy. Company's real estate revenue stood at Rs. 52.38 Crores for FY 2023-24. *A quick update on the ongoing projects; Vascon Good Life is sold at 79%; Tulip Phase III is 60% sold and Tower of Ascend is 61% Sold.*

GMP business has delivered an exceptional performance with revenue of Rs. 289.33 Crores for FY 2023-24 and healthy gross margins of 28%. EBITDA stood at Rs. 20.72 Crores for FY 2023-24 and operating margin of 7%.

Consolidated Financial Performance

- Total Consolidated Revenue stood at Rs. 1,075.44 Crores in FY 2023 - 24 as against Rs 1,030.43 Crores in FY 2022-23
- EBITDA stood at Rs. 107.82 Crores in FY 2023-24 as against Rs. 128.00 crore in FY 2022-23
- Profit after tax stood at Rs. 67.94 Crores in FY 2023-24 as against Rs. 99.41 crores in FY 2022-23
- As on March 31, 2024, Total consolidated debt stood at Rs. 174.68 crores as against Rs. 134.78 crores on March 31, 2024
- Net worth Rs. 981.03 Crores as on March 31, 2024 as compared to Rs. 911.77 crores as on March 31, 2023

Working Capital Management

- Current assets as on March 31, 2024 stood at Rs. 1425.19 Crores as compared to Rs 1269.51 crores as on March 31, 2023.
- Current ratio as on March 31, 2024 stood at 1.86 times as compared to at 1.96 times as on March 31, 2023.
- Inventories stood at Rs. 560.89 Crores as on March 31, 2024 as against Rs. 472.54 crores as on March 31, 2023.
- Loan & Other Financial Assets stood at Rs. 440.22 Crores in FY 2023-24 compared to Rs. 427.85 crores in FY 2022-23.
- Current liabilities stood at Rs. 647.54 crores on March 31, 2024 compared to Rs. 630.83 crores as on March 31, 2023.
- Cash and bank balances was at Rs. 82.00 Crores as on March 31, 2024 compared to at Rs. 108.12 crores as on March 31, 2023.

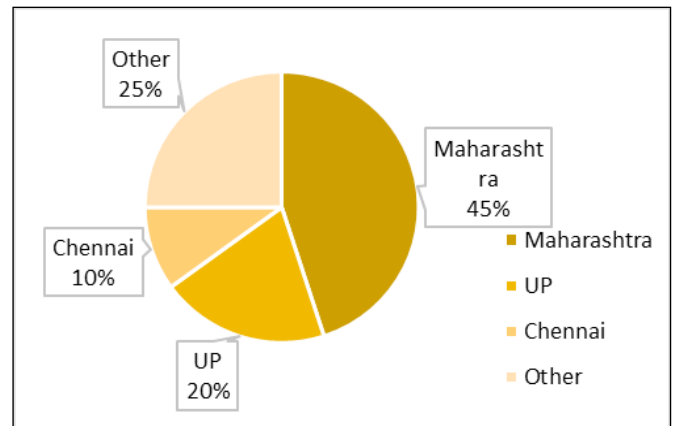
KEY RATIOS

- Debtors' turnover: The Company's debtors' turnover stood at 84 days in FY 2023-24 as compared to 68 days in FY 2022-23;
- Inventory turnover: Inventory turnover stood at 226 days FY 2023-24 as against 228 days in FY 2022-23; major inventory is related to Real Estate Division and it also includes inventory for project which are not yet launched

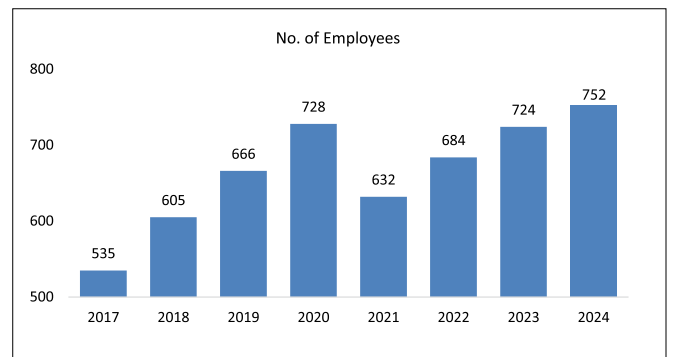
- Interest coverage ratio: The Company's interest coverage ratio stood at 5.87 times in FY 2023-24 against 9.08 times in FY 2022-23;
- Current ratio: The Company's current ratio stood at 1.86 times in FY 2023-24 as compared to 1.96 times in FY 2022-23
- Debt to Equity ratio: Debt to Equity Ratio stood at 0.20x
- Net profit: Company reported the profit of Rs. 67.94 Crores in FY 2023-24 as compared to Rs. 99.41 Crores in FY 2022-23
- Return on net worth: The return on net worth stood at 5.82 % in FY 2023-24

ENGINEERING PROCUREMENT & CONSTRUCTION

Geographical Order Book Split



Order Book Segment-wise



REAL ESTATE

ONGOING PROJECTS: *Vascon has received Letter of Intent for 2nd Redevelopment Project of Prakash CHSL in Santacruz (West), Mumbai. with the total developable carpet of 1,11,829 Sq Ft out of which own share is 68,838 ~ Sq.ft. The expected revenue from this Redevelopment Project will be ~Rs 327 Crores and it is expected to complete within 30-36 months from the launch in next financial year or Quarter 1 of FY2025*

Vascon has completed 2 Residential projects in the year 2023-24 "Vascon – Eco Tower" and "Vascon EWS"

VASCON ENGINEERS LIMITED

Tulip Phase 3 – Residential Project in Coimbatore, Tamil Nadu in 2023, the Company has sold Phase-III of the Tulip, in first half of FY23, where the company owns the 98 units of the project and out of which, the company has sold 60 units within the first month of launch.

Tower of Ascend – Commercial project in Kharadi, Pune. It has various locational advantages and we have sold 61% of the Project. The total developable area of this project is 189790 Sq Ft.

Forest Edge – Residential Project in Kharadi, Pune In 2019, Company launched Phase-II of Forest Edge- First ever Health Tech Home in Pune, spread over ~3.4 acres. Forest edge is an advanced lifestyle project comprising 2 BHK apartments, and modelled as Health Tech Homes. It is one of its kind in Pune.

Forest County- Residential Project in Kharadi, Pune Forest County, a residential Project with a total saleable area of 0.18 msft, located in the most rapidly developing area of Pune – Kharadi. Launched two-towers consists of 132 units comprising 2 and 3 BHK apartments with sizes of 1,150 sqft to 1,685 sqft.

Windermere – A Signature Luxury Residential Project in Koregaon Park, Pune Windermere – A Signature Luxury Residential Project, is a thoughtfully designed, premium quality home at Koregaon Park, Pune, with the total site area of 4.75 acres, which is developed in 2 phases. The total saleable area of the project is ~0.42 msft. The project comprises apartments of 3,000 Sq.ft, 3,800 Sq.ft & 8,500 sq. ft with its own private swimming pool. The project offers the latest amenities such as renewable energy system, architectural design that ensure good ventilation and maximum natural light, water, conservation through maximum recycling organic waste management, rain water harvesting, etc. The Project is certified as platinum rating project from 'The Indian green building council' (ICBG) green home the project is designed as a five-star rated Eco – housing project.

Vascon Goodlife – First Ever Value Housing Project in Katvi, Talegaon Vascon Goodlife - Value Housing Project, spread across 10 acres of land, offering 1RK, 1BHK and 2BHK homes aims at providing not just affordable, but value homes with a strong focus on nurturing learning and growth making it a first-of-its kind learning infrastructure in a residential project. The project boasts of amenities for all age groups, such as library, study rooms in each tower, online education room with computers Citron – Phase II, Wagholi, Pune Citron is a modern lifestyle Residential Project at Wagholi, Pune. Citron Phase II, launched a 15 story L-shaped building comprising 1BHK & 2 BHK apartments, with an endeavor to offer the best-in-class housing, to ultimately become the landmark project of Wagholi.

GMP TECHNICALS – CLEAN ROOM PARTITION BUSINESS

As a part of backward integration your Company had acquired GMP technical solutions, an integrated provider of engineering services, in August 2010. GMP is one of the largest manufacturers of Clean Room Partitioning Systems and Turnkey Solution Provider. Over the past several years, your company's resilient efforts have been focused on stabilizing the GMP business; as a result, the GMP division reached

an EBITDA positive during the last fiscal year, overcoming all of the company's challenges. During FY 2023-24, GMP Technical contributed Rs. 289.33 Crores to consolidated revenue as against Rs. 251.87 Crores in the last fiscal and the gross profit of Rs. 80.34 Crores with an EBIT margin of 28%. Your company's focus on sustained progress and achieving major projects, including such as Tata Group, demonstrates its capacity and preparation. In the future, the GMP segment will contribute even more to the Company's profitability.

STRENGTH, OPPORTUNITIES, STRATEGY

STRENGTHS

- Robust Order Book with diversified clientele both in public as well as private sector
- Focus on one segment i.e. building segment, with an inhouse design team and focus on cutting-edge technology have enabled Vascon to scale up in this space
- Experienced management team with proven track record in terms of execution capabilities and strict control over processes
- Government impetus on Infrastructure development through construction of airports, healthcare facilities, modernization on railways, development of smart cities, construction of factories to push 'Atmanirbhar Bharat' yojana, Housing for all, amongst others. This initiative to provide huge opportunities in the infrastructure sector going forward and Vascon is well-prepared to capitalize on this growth opportunity both in EPC and Real Estate Segment
- Organized and branded real estate industry witnessed faster than expected turnaround in customer sentiments strategy
- Focus on core business that is Engineering, Procurement & Construction (EPC) and Real Estate Development business

Vascon continues to focus on improving operational efficiencies and strengthening of Balance Sheet through cash flow generation via monetization of identified noncore assets to improve liquidity and achieve higher growth

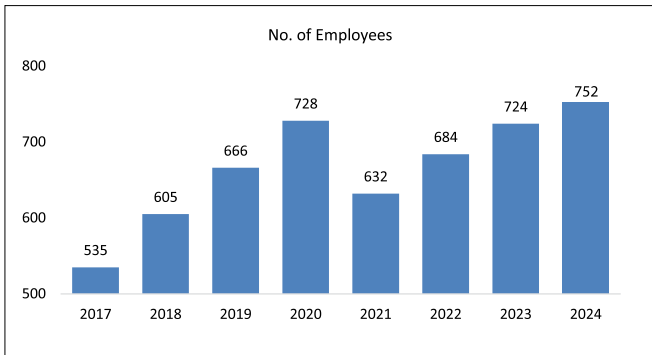
THREATS, RISKS, CONCERNS

In EPC business, delay in projects execution, stall of projects due to unprecedented natural calamity, non-payment by developers, steep cost escalation in inputs affects the execution of projects and results in significant cost overrun. In Real Estate business financing, uncertainty on monetary and fiscal policy, changes in government regulations, foreign direct investments, approval processes, environment clearances and legal hassles & proceedings affects the execution project and results in significant cost overrun

HUMAN RESOURCES

Employees are the foundation of the business and essential to its ongoing success. With its strong HR policies and practices, the Company aims to create a climate that will help it draw in and

keep the greatest people while ensuring employee wellbeing. The company runs a lot of programs for skill development and learning to increase staff capacities. Vascon makes use of a broad range of knowledge, credentials, abilities, professional experience, culture, geography, and industry expertise. In order to assure readiness, the company places a high priority on health and safety management and regularly holds drills and dummy training sessions. It has embraced the highest levels of international standards, guarantees that all safety instructions are followed, and employs additional measures in accordance with legislative demands. As on March 31, 2024, Vascon Engineers has a strength of **752 employees**.



INTERNAL CONTROL SYSTEM

The Company has deployed a vigorous Internal Controls and Audit mechanism to facilitate an accurate and fair presentation of its financial results. The internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The Audit Committee reviews reports presented by the internal auditors on a routine basis. The Committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

RISK MANAGEMENT

The Company has developed a robust risk management framework. It has been identified as one of key enablers to achieve the company's objectives. Increased competition, pressures on cost and deliveries, forex & commodity price variations, impact of recessionary trends on the award of jobs and manpower attrition are some of the major risks faced by the industry. Measures such as advanced quantitative tools, global sourcing, standard operating procedures, and operational excellence initiatives have been implemented so as to protect the profitability of the business.

INDEPENDENT AUDITOR’S REPORT

To the members of VASCON ENGINEERS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **VASCON ENGINEERS LIMITED** (hereinafter referred as “the Company”), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and Notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter collectively referred as the “Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred as “the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed Under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as “Ind AS”) and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2024, its profit, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report;

S. No.	Key Audit Matter (KAM)	Auditor’s Response
1	<p>Revenue Recognition:</p> <p>Ind AS 115 prescribes detailed guidance for various elements of revenue recognition and requires detailed contract assessment as per the accounting principles. The revenue accounting standards application involves certain significant judgements regarding the identification of distinct performance obligations, recognition of revenue over the period, recognition of contract acquisition costs, appropriateness of the basis used for measuring the estimation of the total cost of completion of the projects over a wide range of customers and also a wide range of contracts each having different risk profile based on its individual nature of performance and delivery characteristics. Changes in cost estimates could give rise to variances in the amount of revenue recognized and profit/loss recognized. Accordingly, this matter has been identified as KAM.</p>	<p>Principal Audit Procedures:</p> <p>Our audit procedures on revenue recognition from construction contracts consisted mainly of the testing of the design and operating effectiveness of the laid down internal controls and then substantive testing of the transactions. The audit procedures performed include the following:</p> <ul style="list-style-type: none"> Assessed the Company’s process to identify revenue recognition and cost estimation as per the requirement of the revenue accounting standard. Evaluate the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to the existence and accuracy of revenue recognition on selected transactions. Selected an appropriate sample of contracts and evaluated them along with the supporting evidence to determine whether various elements of revenue recognition, as well as cost allocations, are assessed with the principles prescribed under Ind AS 115. We performed project analysis and obtained the reasons for our observations in respect of the ongoing as well as completed projects during the year under audit. Read and assessed the disclosure made in the financial statements to assess compliance with the disclosure Ind AS 115 requirements.

Information other than the Standalone Financial Statements and Auditor’s Report thereon (hereinafter referred as “other information”)

The Company’s Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board’s report and management discussion and analysis included in the annual report but does not include the Standalone Financial Statements and our report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance and/or conclusions thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Management's & Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Company's Management and 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 management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of the Standalone Financial Statements

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

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

- a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of directors.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in the 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) evaluating the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and based on our audit we report that:

VASCON ENGINEERS LIMITED

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its Standalone Financial Statements - Refer note 30 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement; and
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year at, application level & database level, for all relevant transactions recorded in the software. Consequently, we are unable to comment on whether the audit trail feature has been tampered with at any point during the year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to the director by the company is in excess of the limit laid down under Section 197 of the Act, where request approval is taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to comment upon by us;

SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

Sd/-

CA Tirtharaj Khot

Partner

Membership No.: (F) 037457

UDIN: 24037457BKGEHE3082

Pune, May 21, 2024

Annexure A to the independent auditor's report on the standalone financial statements of Vascon Engineers Limited for the year ended 31st March, 2024

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

- (i) (a) According to the information and explanation given to us and records examined by us;
- (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment (PPE) of the Company.
- (B) The Company has maintained proper records showing full particulars of the Intangible assets of the Company.
- (b) The Company has a program of verification of PPE to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain PPE were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed in such verification.
- (c) According to the information & explanations given to us and the records examined by us and based on the examination of the registered documents provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company as at the balance sheet date.
- Immovable properties of land and buildings (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds have been pledged as security for loans & guarantees are held in the name of the Company as at the balance sheet date.
- (d) According to the information & explanations given to us and the records examined by us, we report that the company has not made any revaluation of PPE (including right-of-use assets) or intangible assets or both during the year. Accordingly, reporting on paragraphs 3 Clause (i) (d) of the Order is not applicable to the Company.
- (e) According to the information & explanations given to us, we report that there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting on paragraphs 3 Clause (i) (e) of the Order is not applicable to the Company.
- (ii) In our opinion and according to the information and explanations given to us;
- (a) With regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate and no discrepancies of more than 10% were noticed on physical verification.
- (b) during the year the company has renewed its working capital facility in excess of five crores rupees, in the aggregate, from banks on the basis of security of current assets; based on our verification of quarterly statements filed by the company with such banks or financial institutions are in materially agreement with the books of account of the Company.
- (iii) In our opinion and according to the information and explanations given to us;
- (a) During the year the Company has not made investments in, provided loans or advances in the nature of loans, or stood guarantee, or provided security to subsidiaries, joint ventures and associates and parties other than subsidiaries, joint ventures and associates, Accordingly, reporting on paragraphs 3 Clause (iii) (a) of the Order is not applicable to the Company.
- (b) During the year the company has not made investments in, provided the security or provided any guarantees or loan or advances in the nature of loans to any subsidiaries, joint ventures, associates and other parties, Accordingly, reporting on paragraphs 3 Clause (iii) (b) of the Order is not applicable to the Company.
- (c) During the year the company has not granted loans or advances in the nature of loans to any subsidiaries, joint ventures, associates and other parties, Accordingly, reporting on paragraphs 3 Clause (iii) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanation given to us and based on the audit procedures performed by us, during the year the company has not given loans or advances in the nature of loans, Accordingly, reporting on paragraphs 3 Clause (iii) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanation given to us and based on our verification there are no loans and advances in the nature of the loan that have been renewed or extended, except parties mentioned below in tabular format. During the year no fresh loans were granted to settle the overdue of existing loans given to the same parties.

Sr. No.	Name of the Parties	Aggregate amount of overdue existing loans renewed or extended or settled by fresh loans (Rs. In Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
1	Conamore Resorts Pvt. Ltd.	91.18	42.25%
2	Marathawada Realtors Pvt. Ltd	124.62	57.75%
	Total	215.80	100.00%

VASCON ENGINEERS LIMITED

- (f) In our opinion and according to the information and explanations given to us and based on our verification the following are the parties where the loans are granted to related parties which are repayable on demand or without specifying any terms or period of repayment;

(Rs. In Lakhs)

Particular	All Parties	Related Parties
The aggregate amount of loans in nature of loans		
- Repayable on demand (A)	215.80	215.80
- Agreement does not specify any terms or period of repayment (B)	5,365.81	5,365.81
Total (A+B)	5,581.62	5,581.62
Percentage of loans/advances in nature of loans to the total loans	100%	100%

- (iv) According to the information and explanation provided to us, in respect of loans, investments, guarantees and security, the Company has complied with provisions of Section 185 and Section 186 of the Act.
- (v) According to the information and explanations given to us, there is no public deposit as such in the company during the year and no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal. Accordingly, reporting on paragraphs 3 Clause (v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under Section 148(1) of the Act. We have broadly reviewed these records relating to materials, labour and other items of cost maintained by the Company and are of the opinion that *prima facie*, the prescribed cost accounts and records have been prepared and maintained. We have not however made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) There were delays by the Company in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities;

There were no undisputed statutory dues w.r.t the above dues in arrears as at March 31, 2023 for a period of more than six months from the date they become payable except for as given below:

(Rs. In Lakhs)

Name of the Statute	Nature of the Dues	Amount	The period to which the amount relates	Due Date	Date of Payment	Amount Paid Subsequently
Employee Provident Fund Act, 1952	Provident Fund	*0.75	May 2018 to Mar 2019	15 th of the following month	-	-
		*0.05	Apr 2019 to May-19		-	-
		9.41	Apr 2021 to March 2022		8 th to 7th May 2024	7.30
		6.49	April 22 to May 23		15 th to 20 th May 2024	4.89
		4.89	April 23 to Sep 23		16 th to 20 th May,2024	4.45
Employees State Insurance Act, 1948	ESIC	0.62	Aug-18	15 th of the following month	-	-

* We have been informed by the company that due to some technical reasons, the Company is not able to make these payments online.

- (b) Details of dues of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, and Cess which have not been deposited as on March 31, 2024, on account of disputes are given below:

(Rs. In Lakhs)

Name of the Statute	Nature of disputed dues	Forum where the dispute is pending	Period to which it relates	Amount Involved	Amount Unpaid
Income Tax Act	Income Tax	CIT(A) - 147	2018-19	229.94	229.94
		CIT(A) - 143/3	2021-22	31.56	31.56
Sales Tax Act	Sales Tax / Value Added Tax / Central Sales Tax	Commercial Tax Officer, Goa	2010-11	44.68	44.68
		Joint Commissioner, Mumbai	2009-10	53.91	53.91
			2014-15	38.13	34.36
			2015-16	55.79	52.02
			2016-17	49.73	45.94
		2017-18	38.79	25.00	
Goods and Service Tax Act	Goods and Service Tax	Assistant Commissioner, Pune	2023-24	100.91	100.91
		Assistant Commissioner, Noida	2023-24	241.06	241.06
		Assistant Commissioner, Pondy	2022-23	4.88	4.88
		Office of Superintendent of GST and Central Excise, Chennai	2022-23	57.56	57.56
		Office of Commissioner of GST and Central Excise, Chennai	2023-24	428.23	428.23

- (viii) According to the information & explanations given to us and the records examined by us, there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraph 3 clause (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us and the records examined by us;
- (a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) the company has not been declared a wilful defaulter by banks or financial institutions or other lenders Accordingly, reporting on paragraph 3 clause (ix) (b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the company has raised additional term loans during the year and were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on a short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting on paragraph 3 clause (ix) (f) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us and the records examined by us,
- (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of an initial public offer or further public offer (including debt instruments). Accordingly reporting on paragraph 3 clause (x) (a) is not applicable.
- (b) During the year the Company has not made preferential allotment as per the provision of the act and regulation made by the Securities Exchange Board of India and the requirements of section 42 and section 62 of the Companies Act, 2013. During the year the company has not made the private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly reporting on paragraph 3 clause (x) (b) of the order is not applicable to the company.
- (xi) According to the information and explanations given to us and the records examined by us,
- (a) Based upon the audit procedures performed by us no material fraud by the Company or any material fraud on the Company has been noticed or reported during the year.
- (b) Based on the audit procedures performed by us no report under sub-section (12) of section 143 of the Companies Act 2013 has been filed by the auditors in the form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us,
- (a) the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till the balance sheet date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) According to the information and explanations given to us and the records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3 Clause (xvi) (a) (b) (c) and (d) is not applicable.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the current year as well as for the immediately preceding financial year

VASCON ENGINEERS LIMITED

- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting on paragraph 3 Clause (xviii) of the order is not applicable to the company.
- (xix) According to the information provided and explanations are given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, and other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanation given to us and on the basis of the accounts and records examined by us,
- (a) there is an unspent amount of Rs. 14. 90 Lakhs under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. However, the company will be paid a shortfall in the coming financial year before the due date.
- (b) there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing projects. Accordingly, Paragraph 3 clause (xx)(b) of the Order is not applicable to the company.
- (xxi) The reporting under paragraph 3 clause (xxi) of the Order is not applicable in respect of the audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

CA Tirtharaj Khot

Partner

Membership No.: (F) 037457

Pune, May 21, 2024

UDIN: 24037457BKGEHE3082

Annexure B to the independent auditor's report on the standalone financial statements of Vascon Engineers Limited for the year ended 31st March, 2024

(Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) Section 143 (3) of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **VASCON ENGINEERS LIMITED** (hereinafter referred as "the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

Board of Directors Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the Standards on Auditing issued by ICAI and deemed to be prescribed Under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm's Registration No.: 109983W

by the hand of

CA Tirtharaj Khot

Partner

Membership No.: (F) 037457

UDIN: 24037457BKGEHE3082

Pune, May 21, 2024

VASCON ENGINEERS LIMITED

Balance Sheet as at March 31, 2024

		(₹ in Lakhs)		
Particulars		Note No.	As at Mar 31, 2024	As at Mar 31, 2023
A ASSETS				
1	Non-current assets			
(a)	Property, Plant and Equipment	3	4,901.59	5,490.92
(b)	Capital work-in-progress		0.07	0.04
(c)	Investment Property	4	1,373.53	1,443.85
(d)	Other Intangible assets	3	3.91	3.91
(e)	Right of Use Assets	3	21.27	53.48
(f)	Financial Assets			
(i)	Investments	5	13,114.58	13,114.58
(ii)	Loans	6	124.62	113.46
(iii)	Others Financial Assets	7	15,296.49	11,370.25
(g)	Income Tax Assets (net)		1,503.99	1,299.90
(h)	Other non-current assets	8	3,067.12	2,110.71
	Total Non - Current Assets		39,407.17	35,001.10
2	Current assets			
(a)	Inventories	9	51,216.19	44,019.77
(b)	Financial Assets			
(i)	Investments	5	404.97	346.59
(ii)	Trade receivables	10	17,848.39	14,886.39
(iii)	Cash and cash equivalents	11	1,467.19	4,316.46
(iv)	Bank balances other than (iii) above	11	5,158.43	4,623.24
(v)	Loans receivables considered good - Unsecured	6	9,193.59	8,641.75
(vi)	Others Financial Assets	7	34,805.52	34,108.96
(c)	Other current assets	8	5,700.00	3,355.49
	Assets Held for Sale	5.1	2,626.72	2,626.72
	Total Current Assets		128,421.00	116,925.37
	Total Assets (1+2)		167,828.17	151,926.47
B EQUITY AND LIABILITIES				
1	Equity			
(a)	Equity Share capital	12	22,131.71	21,731.71
(b)	Other Equity	12.1	73,741.00	67,716.79
	Total Equity		95,872.71	89,448.50
2	LIABILITIES			
	Non-current liabilities			
(a)	Financial Liabilities			
(i)	Borrowings	13	7,930.15	6,380.80
(ia)	Lease Liability	13 (i)	1.49	68.74
(ii)	Other financial liabilities	14	880.65	889.46
	Total Non - Current Liabilities		8,812.29	7,339.00
3	Current liabilities			
(a)	Financial Liabilities			
(i)	Borrowings	13	7,262.43	6,863.00
(ia)	Lease Liability	13 (i)	71.10	47.18
(ii)	Trade and other payables			
	-Total outstanding dues of micro enterprises and small enterprises	15	1,077.74	84.48
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	15	35,335.92	33,543.51
(iii)	Other financial liabilities	14	228.29	164.15
(b)	Provisions	16	1,662.94	1,536.15
(c)	Other current liabilities	18	17,504.75	12,900.50
	Total Current Liabilities		63,143.17	55,138.97
	Total Equity and Liabilities (1+2+3)		167,828.17	151,926.47
	Material accounting policies	2		
See accompanying notes forming part of the financial statements.				

In terms of our report attached.

For Sharp & Tannan Associates

Chartered Accountants
(Firm Regn. No. 109983W)
By the hands of

Sd/-

CA Tirtharaj Khot

Partner
Membership No: (F) - 037457

For and on behalf of the Board of Directors

Sd/-

Mukesh Malhotra

Chairman
(DIN-000129504)

Sd/-

Dr Santosh Sundararajan

Group Chief Executive Officer & Whole Time Director
(DIN-00015229)

Sd/-

Sarita Ahuja

Company Secretary & Compliance Officer

Sd/-

Siddharth Vasudevan

Managing Director
(DIN-02504124)

Sd/-

Somnath Biswas

Chief Financial Officer

Place: Pune
Date: 21 May, 2024

Place: Pune
Date: 21 May, 2024

Statement of Profit and Loss for the Period Ended March 31, 2024

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	19	76,340.00	76,747.47
II Other Income	20	1,176.51	959.81
III Total Income (I + II)		77,516.64	77,707.28
IV EXPENSES			
(a) Cost of materials and services consumed	21.a	68,507.74	61,841.89
(b) Purchases of Stock-in-trade		-	0.48
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	21.b	(6,067.08)	(16.59)
(d) Employee benefit expense	22	3,494.49	3,244.79
(e) Finance costs	23	1,352.69	1,006.58
(f) Depreciation and amortisation expense	3 & 4	595.67	587.98
(g) Other expenses	24	2,847.64	2,379.45
Total Expenses (IV)		70,731.15	69,044.58
V Profit before tax (III - IV)		6,785.49	8,662.70
VI Tax Expense			
(1) Current tax	17	643.00	-
(2) Deferred tax	17	-	-
(3) (Excess) / Short provision for tax of earlier years	17	-	-
Total tax expense VI		643.00	-
VII Profit after tax (V - VI)		6,142.49	8,662.70
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		33.62	96.51
IX Total comprehensive income for the Year (VII + VIII)		6,176.11	8,759.21
X Earnings per equity share			
(1) Basic (in Rs.)	25	2.80	3.99
(2) Diluted (in Rs.)	25	2.80	3.99
Material accounting policies See accompanying notes forming part of the financial statements.	2		

In terms of our report attached.

For Sharp & Tannan AssociatesChartered Accountants
(Firm Regn. No. 109983W)
By the hands ofSd/-
CA Tirtharaj Khot
Partner
Membership No: (F) - 037457Place: Pune
Date: 21 May, 2024**For and on behalf of the Board of Directors**Sd/-
Mukesh Malhotra
Chairman
(DIN-000129504)Sd/-
Dr Santosh Sundararajan
Group Chief Executive Officer & Whole Time Director
(DIN-00015229)Sd/-
Sarita Ahuja
Company Secretary & Compliance OfficerPlace: Pune
Date: 21 May, 2024Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)Sd/-
Somnath Biswas
Chief Financial Officer

Statement of Cashflow for the Year Ended March 31, 2024

(₹ in Lakhs)

Particulars	For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Cash flows from operating activities		
Profit / (Loss) before tax for the year	6,785.49	8,662.70
Adjustments for:		
Finance costs	1,352.68	1,006.58
(Gain)/ loss on Sale of Assets	(29.18)	(10.74)
Depreciation	595.67	587.98
Interest received	(741.30)	(578.41)
Expense recognised in respect of equity-settled share-based payments	191.39	196.14
Provision for doubtful debts and advances	382.74	309.20
Provision / Creditors no longer required written back	(382.23)	(335.32)
Gain / (loss) on investments carried at fair value	(5.51)	(7.81)
Commision (Net)	50.87	52.79
	8,200.62	9,883.11
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(3,318.71)	(6,219.96)
(Increase)/decrease in amounts due from customers under construction	(532.36)	(4,759.99)
(Increase)/decrease in inventories	(5,748.38)	1,296.34
(Increase)/decrease in other financial assets	(3,956.58)	(1,692.41)
(Increase)/decrease in Financial asset Loans	(380.72)	1,748.21
(Increase)/decrease in other current and non current assets	(3,301.01)	71.85
Increase/(decrease) in other liabilities	4,994.73	354.48
Increase/(decrease) in trade and other payables	3,168.08	8,241.39
Increase/(decrease) in provisions	160.42	(94.70)
Cash (used in)/generated from operations	(713.91)	8,828.32
Income tax refund / (paid)	(846.60)	(457.67)
Net cash (used in)/generated by operating activities	(1,560.51)	8,370.65
Cash flows from investing activities		
Purchase of fixed assets including work in progress	(812.77)	(3,389.45)
Proceeds from disposal of Fixed assets	938.10	22.73
Proceeds on redemption / (Investment) of Liquid Mutual Fund	(53.32)	66.23
(Investment) /Proceeds from Fixed deposits with Banks	(1,119.81)	199.34
Loan / (Receipts) to / from Subsidiaries / Joint Venture	(182.27)	-
Net cash (used in)/generated by investing activities	(1,230.07)	(3,101.15)
Cash flows from financing activities		
Proceeds from issue of Equity Shares	600.00	-
Repayment of borrowings	(7,665.11)	(8,779.56)
Proceeds from borrowings	9,599.06	8,307.18
Proceeds / (repayment) of Lease Liabilities	(43.33)	(23.29)
Dividend Paid	(543.29)	-
Interest received	758.05	595.58
Finance cost including capitalized to qualifying assets	(2,779.25)	(2,377.98)
Net cash (used in)/generated by financing activities	(73.87)	(2,278.07)
Net increase / (decrease) in cash and cash equivalents	(2,864.45)	2,991.43
Cash and cash equivalents at the beginning of the year (Refer Note-11 A)	4,316.16	1,324.74
Cash and cash equivalents at the end of the year (Refer note -11 A)	1,451.71	4,316.16
Material accounting policies		
See accompanying notes forming part of the financial statements.		

In terms of our report attached.

For Sharp & Tannan Associates

 Chartered Accountants
 (Firm Regn. No. 109983W)
 By the hands of

Sd/-

CA Tirtharaj Khot

 Partner
 Membership No: (F) - 037457

 Place: Pune
 Date: 21 May, 2024

For and on behalf of the Board of Directors

Sd/-

Mukesh Malhotra

 Chairman
 (DIN-000129504)

Sd/-

Dr Santosh Sundararajan

 Group Chief Executive Officer & Whole Time Director
 (DIN-00015229)

Sd/-

Sarita Ahuja

Company Secretary & Compliance Officer

 Place: Pune
 Date: 21 May, 2024

Sd/-

Siddharth Vasudevan

 Managing Director
 (DIN-02504124)

Sd/-

Somnath Biswas

Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2024

A. Changes in Equity

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	21,731.71	21,731.71
Issue of equity shares under employee share option plan	400.00	-
Balance at the end of the year	22,131.71	21,731.71

B. Changes in Other Equity

Particulars	Securities premium reserve	General reserve	Equity- settled employee benefits reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the reporting Year - As of April 01, 2023	60,586.51	1,537.50	1,051.83	1,250.00	3290.95	67,716.79
Premium on Shares issued during the year	805.60	-	-	-	-	805.60
Amount recorded on Grant	-	-	191.39	-	-	191.39
Transferred to securities premium reserve on exercise	-	-	(605.60)	-	-	(605.60)
Other Comprehensive income for the year	-	-	-	-	33.62	33.62
Final Dividend	-	-	-	-	(543.29)	(543.29)
Profit / (Loss) for the Year	-	-	-	-	6,142.49	6,142.49
Balance at the end of the reporting Year - March 31, 2024	61,392.11	1,537.50	637.62	1,250.00	8,923.77	73,741.00

Particulars	Securities premium reserve	General reserve	Equity- settled employee benefits reserve	Capital Redemption Reserve	Retained Earnings	TOTAL
Balance at the beginning of the reporting Year - As of April 01, 2022	60,586.51	1,537.50	855.69	1,250.00	(5468.26)	58,761.44
Amount recorded on Grant	-	-	196.14	-	-	196.14
Other Comprehensive income for the year	-	-	-	-	96.51	96.51
Profit / (Loss) for the Year	-	-	-	-	8,662.70	8,662.70
Balance at the end of the reporting Year - Mar 31, 2023	60,586.51	1,537.50	1,051.83	1,250.00	3290.95	67,716.79

Material accounting policies

See accompanying notes forming part of the financial statements.

In terms of our report attached.

For Sharp & Tannan Associates

Chartered Accountants
(Firm Regn. No. 109983W)
By the hands of

Sd/-

CA Tirtharaj Khot

Partner
Membership No: (F) - 037457

For and on behalf of the Board of Directors

Sd/-

Mukesh Malhotra

Chairman
(DIN-000129504)

Sd/-

Dr Santosh Sundararajan

Group Chief Executive Officer & Whole Time Director
(DIN-00015229)

Sd/-

Sarita Ahuja

Company Secretary & Compliance Officer

Sd/-

Siddharth Vasudevan

Managing Director
(DIN-02504124)

Sd/-

Somnath Biswas

Chief Financial Officer

Place: Pune
Date: 21 May, 2024

Place: Pune
Date: 21 May, 2024

Notes forming part of the financial statements for the year ended 31st March, 2024

1. Corporate Information

Vascon Engineers Limited (the "Company") was incorporated on January 1, 1986 and is engaged in the business of Engineering, Procurement and Construction services (EPC) and Real Estate Development. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is ' Vascon Weikfield chambers , Behind Novotel Hotel , Opposite Hyatt Hotel, Pune Nagar Road, Pune - 411014'.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 21, 2024.

2. MATERIAL ACCOUNTING POLICIES:

2.01 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.02 Basis of preparation and presentation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments and equity settled employee stock options transactions that are within the scope of Ind AS 102, which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. The accounting policies are consistently applied by the Company during the year and are consistent with those used in previous year.

2.03 Use of estimate

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities.

Evaluation of satisfaction of performance obligation for the purpose of revenue recognition

Determination of revenue under the satisfaction of performance obligation necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the timing of satisfaction of performance obligation, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The Company recognises revenue when the Company satisfies its performance obligation.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews recognition of deferred tax at the end of each reporting period. The policy for the same has been explained under Note 2.10

Determination of lease term & discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Company using market-observable inputs.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report the management of the Company findings every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in note 26.

2.04 Revenue Recognition / Cost Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

a) Construction contracts

Revenue from fixed price construction contracts is recognised on the Percentage Of Completion Method (POCM). The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work determined by technical estimate of work done / actual cost incurred in relation to total estimated contract cost, as the case may be. The estimate of total contract cost has been made at the time of commencement of contract work and reviewed and revised, by the technical experts, from time to time during period in which the contract work is executed. Future expected loss, if any, is recognised immediately as expenditure. In respect of unapproved revenue recognised, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected as unbilled revenue under the head "Other Current Assets" and billing in excess of contract revenue has been reflected as Unearned Revenue under the head "Other Current Liabilities" in the Balance Sheet. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables.

Escalation claims raised by the Company are recognised when negotiations have reached an advanced stage such that customers will accept the claim and amount that is probable will be accepted by the customer can be measured reliably.

b) Real estate development

Revenue from real estate projects is recognised on 'Completed contract method' of accounting as per IND AS 115, When

- the seller has transferred to the buyer all significant risk and rewards of ownership and seller retains no effective control of the real estate to a degree usually associated with ownership.
- The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction.
- No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and
- It is not unreasonable to expect ultimate collection of revenue from buyers.

c) Interest Income – Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d) Dividend Income – Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

e) Rental Income - Income from letting-out of property is accounted on accrual basis - as per the terms of agreement and when the right to receive the rent is established.

f) Income from services rendered is recognised as revenue when the right to receive the same is established.

g) Profit on sale of investment is recorded upon transfer of title by the Company. It is determined as the difference between the sale price and the then carrying amount of the investment.

2.05 Cost of construction / Development

Cost of construction/Development (Including cost of land) incurred is charged to statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not received Occupancy/Completion certificate is carried over as construction work in progress. Costs incurred for projects which have received Occupancy/ Completion certificate is carried over as completed Finished Properties

2.06 Leases

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

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset

Company as a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.07 Foreign Currency

The functional currency of the Company is Indian rupee.

Initial Recognition

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction.

Conversion

Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

2.08 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Advances/deposits given to the vendors under the contractual arrangement for acquisition/construction of qualifying assets is considered as cost for the purpose of capitalization of borrowing cost.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

2.09 Employee benefits

a) Short-term Employee Benefits -

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by the employees is recognised during the year when the employees render the service.

These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

b) Post Employment Benefits -

(1) Defined Contribution Plan:

Payments to defined contribution retirement benefit schemes viz. Company's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution. The company has no further obligation once the contribution have been paid.

(2) Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Company has taken a Group Gratuity cum Life Assurance Scheme with LIC of India for future payment of gratuity to the eligible employees.

c) Other Long-term Employee Benefits -

Compensated Absences: The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Such benefits are provided based on the number of days of un utilised compensated absence on the basis of an independent actuarial valuation.

Share-based Payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost is recognized, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognized in employee benefits expense.

2.10 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax expense represents the sum of the tax currently payable and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.11 Property, Plant and Equipment

Property plant & equipment are stated at cost of acquisition or construction where cost includes amount added/deducted on revaluation less accumulated depreciation / amortization and impairment loss, if any. All costs relating to the acquisition and installation of fixed assets are capitalised and include borrowing costs relating to funds attributable to construction or acquisition of qualifying assets, up to the date the asset / plant is ready for intended use. The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodies within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

Depreciation on tangible property plant & equipment has been provided on written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of plant and machinery, in whose case the life of the assets has been assessed based on the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The Company has based on technical advice considered the useful life of the plant and machinery to be 6-15 years which is different from the useful life specified in Schedule II to the Companies Act, 2013.

Property Plant & Equipment individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition. Depreciation on assets acquired/purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition / till the date of sale/discard.

The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

If significant events or market developments indicate an impairment in the value of the tangible asset, management reviews the recoverability of the carrying amount of the asset by testing for impairment. The carrying amount of the asset is compared with the recoverable amount, which is defined as the higher of the assets fair value less costs to sell and its value in use. To determine the recoverable amount on the basis of value in use, estimated future cash flows are discounted at a rate which reflects the risk specific to the asset. If the net carrying amount exceeds the recoverable amount, an impairment loss is recognised. When estimating future cash flows, current and expected future inflows, technological, economic and general developments are taken into account. If an impairment test is carried out on tangible assets at the level of a cash-generating unit, an impairment loss is recognised, taking into account the fair value of the assets. If the reason for an impairment loss recognised in prior years no longer exists, the carrying amount of the tangible asset is increased to a maximum figure of the carrying amount that would have been determined had no impairment loss been recognised.

2.12 Investment Properties

The Company has elected to continue with the carrying value for all of its investment property as recognized in its Initial GAAP financial statements as deemed cost at the transition date. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are states at cost less accumulated depreciation and accumulated impairment loss, if any.

2.13 Intangible Assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on written down value method over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.14 Goodwill

The company records its investments in equity shares of subsidiaries, joint ventures, and associates at cost and reviews them for impairment annually. If there's any indication of impairment, the value of the investment is immediately written down to its recoverable amount. When the company disposes of these investments, any difference between the net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss."

2.15 Impairment

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted – effective interest rate for purchased, or originated credit impaired financial assets). The Company estimates cash flows by considering all contractual term of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

2.16 Inventories

a) Stock of Materials

Stock of materials has been valued at lower of cost or net realisable value. The cost is determined on Weighted Average method.

b) Development Work

Stock of Units in completed projects and work in progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract work, direct expenses, provisions and apportioned borrowing cost.

c) Stock of Trading Goods

Stock of trading goods has been stated at cost or net realisable whichever is lower. The cost is determined on Weighted Average Method.

2.17 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability, except for trade receivables which are initially measured at transaction price.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial guarantee contracts:

These are initially measured at their fair values and, are subsequently measured at the higher of the amount of loss allowance determined or the amount initially recognised less, the cumulative amount of income recognised.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Company recognises equity instrument at proceeds received net of direct issue costs.

Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.18 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.19 Critical Accounting Judgments and key sources of estimation, uncertainty

The preparation of financial statements and related notes in accordance with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date, and revenues and expenses.

Actual results could differ from those estimates due to those uncertainties on which assumptions are based. Estimates and assumptions are reviewed annually in order to verify they still reflect the best available knowledge of the Company's operations and of other factors deriving from actual circumstances. Changes, if any, are immediately accounted for in the income statement.

The present economic context, whose effects are spread into some businesses in which the Group operates, determined the need to make assumptions related to future development with a high degree of uncertainty. For this reason, it is not possible to exclude that, in the next or in subsequent financial years, actual results may differ from estimated results. These differences, at present unforeseeable and unpredictable, may require adjustments to book values. Estimates are used in many areas, including accounting for non-current assets, deferred tax assets, bad debt provisions on accounts receivable, inventory obsolescence, employee benefits, contingent liabilities and provisions for risks and contingencies.

2.20 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.21 Current/Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period Current liabilities include the current portion of long term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle. In case of project business, operating cycle is dependent on life of specific project/ contract/ service, hence current non-current bifurcation relating to project is based on expected completion date of project which generally exceeds 12 months

2.22 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.

2.23 Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- in the principle market for the asset or liability
- in the absence of principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities
- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value

1) Financial Assets - Debt Instruments at amortized cost

After initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR.

2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L.

3) Debt instruments, derivatives and equity instruments at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

4) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement**Fair value through Profit & Loss**

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

5) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. If the hybrid contract contains a host that is a financial asset within the scope of IND AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in IND AS 109 to the entire hybrid contract. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss.

2.24 Recent accounting pronouncements

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

2.25 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders.

2.26 Investments

Long Term Investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary in the value of these investments. Current investments are carried at lower of the cost and fair value.

2.27 Associates and joint ventures

Associates and joint ventures are accounted for under the equity method at cost at the date of acquisition. In subsequent periods, the carrying amount is adjusted up or down to reflect the Company's share of the comprehensive income of the investee. Any distributions received from the investee and other changes in the investees equity reduce or increase the carrying amount of the investment. If the losses of an associate or joint venture attributable to the Company equal or exceed the value of the interest held in this associate or joint venture, no further losses are recognised unless the Company incurs an obligation or makes payments on behalf of the associate or joint venture. If there are any indications of impairment in the investments in associates or joint ventures, the carrying amount of the relevant investment is subject to an impairment test. If the reason for an impairment loss recognised in prior years no longer exists, the carrying amount of the investment is increased to a maximum figure of the share of net assets in the associate or joint venture.

2.28 Non-current assets held for sale and discontinued operations

Non-current assets are classified separately in the balance sheet as held for sale if they are available for sale in their present condition and the sale is highly probable. Assets that are classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. Liabilities classified as directly related to non-current assets held for sale are disclosed separately as held for sale in the liabilities section of the balance sheet. For discontinued operations, additional disclosures are required in the Notes, as long as the requirements for classification as discontinued operations are met.

2.29 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

'The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

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Note No. 3 - Property , Plant and Equipment and Intangible Assets

(₹ in Lakhs)

Particulars	I. Property, Plant and Equipment							II. Intangible assets	III. Right of Use Assets		
	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Lease Hold Improvements	Total	Softwares	Office Premises	Vehicle	Total
Gross carrying value											
As at April 1, 2023	2,318.86	8,348.53	541.56	232.07	772.41	338.88	12,552.31	561.81	1,110.81	125.69	1,236.50
Additions	-	639.17	65.57	66.41	36.84	-	807.99	4.74	-	-	-
Disposals	-	(1056.76)	0.00	0.00	(0.36)	-	(1057.12)	-	-	-	-
As at March 31, 2024 (A)	2,318.86	7,930.94	607.13	298.48	808.89	338.88	12,303.18	566.55	1,110.81	125.69	1,236.50
Accumulated depreciation											
As at April 1, 2023	130.20	5,431.60	460.65	166.36	731.19	141.39	7,061.39	557.90	1,079.24	103.78	1,183.02
Additions	106.76	286.85	24.66	29.86	26.85	13.43	488.40	4.74	18.95	13.26	32.21
Disposals	-	(147.99)	0.00	0.00	(0.21)	-	(148.20)	-	-	-	-
As at March 31, 2024 (B)	236.96	5,570.46	485.31	196.22	757.83	154.82	7,401.59	562.64	1,098.19	117.04	1,215.23
Net carrying value as at March 31, 2024 (A) - (B)	2,081.90	2,360.48	121.82	102.26	51.06	184.06	4,901.59	3.91	12.62	8.65	21.27
Gross carrying value											
As at April 1, 2022	66.06	7,420.65	504.33	255.81	745.04	338.88	9,330.77	560.75	1,110.81	111.65	1,222.46
Additions	2,252.80	1,036.60	50.56	2.47	32.08	-	3,374.51	1.06	-	14.04	14.04
Disposals	-	(108.72)	(13.33)	(26.21)	(4.71)	-	(152.97)	-	-	-	-
As at Mar 31, 2023 (A)	2,318.86	8,348.53	541.56	232.07	772.41	338.88	12,552.31	561.81	1,110.81	125.69	1,236.50
Accumulated depreciation											
As at April 1, 2022	42.62	5,218.98	457.85	163.67	712.30	127.02	6,722.44	556.84	1,060.29	89.47	1,149.76
Additions	87.58	310.92	15.47	28.38	23.22	14.37	479.94	1.06	18.95	14.31	33.26
Disposals	-	(98.30)	(12.67)	(25.69)	(4.33)	-	(140.99)	-	-	-	-
As at Mar 31, 2023 (B)	130.20	5,431.60	460.65	166.36	731.19	141.39	7061.39	557.90	1,079.24	103.78	1,183.02
Net carrying value as at Mar 31, 2023 (A) - (B)	2,188.66	2,916.93	80.91	65.71	41.22	197.49	5,490.92	3.91	31.57	21.91	53.48

Notes forming part of the financial statements

Note No. 4 - Investment Property

		(₹ in Lakhs)
Description of Assets	Buildings	
Gross carrying value *		
As at April 1, 2023		2,257.79
Additions		-
Disposals		-
As at March 31, 2024 (A)		2,257.79
Accumulated depreciation		
As at April 1, 2023		813.94
Charge for the year		70.32
Reversals/ Disposals during the year		-
As at March 31, 2024 (B)		884.26
Net carrying value as at March 31, 2024 (A) - (B)		1,373.53
Gross carrying value *		
As at April 1, 2022		2,257.79
Additions		-
Disposals		-
As at Mar 31, 2023 (A)		2,257.79
Accumulated depreciation		
As at April 1, 2022		740.22
Charge for the year		73.72
Reversals/ Disposals during the year		-
As at Mar 31, 2023 (B)		813.94
Net carrying value as at Mar 31, 2023 (A) - (B)		1,443.85

The Company's investment properties consist of commercial properties in India. Management determined that the investment properties consist of only one class of asset i.e. office spaces based on the nature, characteristics and risks of the property.

* Cost of investment property includes amount paid for shares in Co- Operative Societies/ Companies.

Fair valuation

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Investment Property	2,868.53	2,868.53

The best evidence of fair value is current prices in an active market for similar properties. The market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer

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Notes forming part of the financial statements

Note No. 5 - Investment

A. Non Current Investment

(₹ in Lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
A. INVESTMENTS CARRIED AT COST		
Unquoted Investments (all fully paid)		
<u>Investments in Equity Instruments of Subsidiaries</u>		
Marvel Housing Private Limited 10,000 (March 31, 2023: 10,000) Equity Shares of ₹ 10/- Each Fully Paid	1.00	1.00
GMP Technical Solutions Private Limited 12,689 (March 31, 2023: 12,689) Equity Shares of ₹ 10/- Each Fully Paid	4,602.71	4,602.71
Vascon Value Homes Private Limited 10000 (March 31,2023: 10000) Equity shares of ₹ 10/- Each fully paid	1.00	1.00
	4,604.71	4,604.71
<u>Investments in Equity Instruments of associates</u>		
Mumbai Estates Private Limited 99,999 (March 31, 2023: 99,999) Equity Shares of ₹ 10 /- Each Fully Paid	10.00	10.00
DCS Conventions and Hospitality Private Limited 520 (March 21, 2023: 520) Equity shares of ₹ 10/- Each fully paid	0.05	0.05
	10.05	10.05
<u>Investments in Equity Instruments of joint ventures - jointly controlled entities</u>		
Vascon Engineers Ltd Wll (Qatar) - 49% stake	0.01	0.01
Phoenix Venture	200.00	200.00
Investment in Partnership Firm - Ajanta Enterprises	4,272.94	4,272.94
Investment in LLP - Vascon Developers LLP*	700.00	700.00
Vascon Saga Construcions LLP	1.52	1.52
	5,174.47	5,174.47
INVESTMENTS CARRIED AT COST [A]	9,789.23	9,789.23
B. INVESTMENTS CARRIED AT AMORTISED COST		
<u>Investments in Redeemable Non-Cumulative Preference Shares of Subsidiary</u>		
GMP Technical Solutions Private Limited 0.001% 574,793 (March 31, 2023: 574,793) Redeemable Non-Cumulative Preference Shares of ₹ 100 each	574.79	574.79
Investment in Government or trust securities		
7 Years National Savings Certificate	0.20	0.20
	574.99	574.99
INVESTMENTS CARRIED AT AMORTISED COST [B]	574.99	574.99
C. INVESTMENTS CARRIED AT FVTPL		
Quoted Investments		
Investments in Equity Instruments - Union Bank of India (<i>formerly Corporation Bank</i>) 330 (March 31,2023: 330) Equity shares of ₹ 10/- Each fully paid	0.11	0.11
Total Aggregate Quoted Investments	0.11	0.11
Unquoted Investments (all fully paid)		
Investments in debentures of Ascent Hotels Private Limited Optionally Convertible Redeemable Debenture 6,726,396 of face Value ₹10/- each	2,750.00	2,750.00
<u>Investments in Equity Instruments of structured entities</u>		
The Saraswat Co Operative Bank Ltd 2,500 (March 31, 2023: 2,500) Equity Shares Of ₹10/- Each Fully Paid	0.25	0.25
	2,750.25	2,750.25
INVESTMENTS CARRIED AT FVTPL [C]	2,750.36	2,750.36
TOTAL INVESTMENTS [A] + [B] + [C]	13,114.58	13,114.58

Notes forming part of the financial statements

Details of quoted / unquoted investments:

Particular	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Quoted Investments and Market Value thereof	0.11	0.11
Aggregate amount of Unquoted Investments	13,114.47	13,114.47
Aggregate amount of Provision for expected credit loss on investments	-	-

*In the previous financial year ended March 2023, one of the Subsidiary " Vascon Developers Private Limited" has converted into Limited Liability Partnership with a name of Vascon Developers LLP w.e.f., 06th Oct 2022. There are no major transactions in LLP except the introduction of Capital by new partner. The stake holding in subsidiary was 92% and reduced to 35% in LLP with the introduction of new partner with 50% holding.

B. Current Investment

Particular	As at March 31, 2024	As at March 31, 2023
Designated as Fair Value Through Profit and Loss		
Unquoted Investments (all fully paid)		
<u>Investments in Equity Instruments of structured entities</u>		
Sita Lakshmi Mills Limited	234.00	234.00
806,000 (March 31, 2023: 806,000) Equity Shares of ₹ 50/- Each Fully Paid		
Total Unquoted Investments	234.00	234.00
Quoted Investments		
<u>Investments in Mutual Funds</u>		
<u>HSBC Cash Fund</u>		
Units 2225.911 (March 31, 2023: 5021.442) , NAV ₹ 2405.9756 (March 31, 2023: ₹ 2242.1310) each	170.97	112.59
<u>Tata Liquid Fund Regular Plan - Growth</u>		
Units 3114.146 , NAV ₹ 3770.3899 each.		
Total Quoted Investments	170.97	112.59
TOTAL CURRENT INVESTMENTS	404.97	346.59

Details of quoted / unquoted investments:

Particular	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Quoted Investments and Market Value thereof	170.97	112.59
Aggregate amount of Unquoted Investments	234.00	234.00
Aggregate amount of Provision for expected credit loss on investments	-	-

Note No. 5.1 - Assets Classified as Held for Sale

Current

Particular	As at March 31, 2024	As at March 31, 2023
Investment Carried at Cost (Unquoted)		
Equity Shares of Subsidiary Companies		
Almet Corporation Limited	1,035.66	1,035.66
58,824 (March 31, 2023: 58,824) Equity Shares of ₹ 100/- Each Fully Paid		
Marathwada Realtor Private Limited	1,591.06	1,591.06
39,216 (March 31, 2023: 39,216) Equity Shares of ₹ 100/- Each Fully Paid		
- During the previous year, the Company has classified investment made in two subsidiaries as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiaries		
TOTAL	2,626.72	2,626.72

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Note No. 6 - Loans

A. Non Current

(₹ in Lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
a) Loans to related parties (Refer Note 33 & 36)	124.62	113.46
- Unsecured, considered good		
TOTAL	124.62	113.46

Current

Particular	As at March 31, 2024	As at March 31, 2023
a) Loans and Advances to Employees		
- Unsecured, considered good	168.93	173.10
b) Loans to related parties (Refer Note 33 & 36)		
- Unsecured, considered good	5,457.00	4,900.49
c) Other Loans		
- Unsecured, considered good	3,567.66	3,568.16
TOTAL	9,193.59	8,641.75

Note No. 7 - Other Financial Assets

A. Non - Current

Particular	As at March 31, 2024	As at March 31, 2023
a) Security Deposits		
- Unsecured	873.46	778.54
- Doubtful	25.00	25.00
Less: Allowance for Credit Losses	(25.00)	(25.00)
b) Bank deposits with more than 12 months maturity	622.63	38.00
c) Project Advances	13,800.40	10,553.71
TOTAL	15,296.49	11,370.25

B. Current

Particular	As at March 31, 2024	As at March 31, 2023
a) Security Deposits - Unsecured	513.93	511.43
b) Interest accrued on deposits	133.85	117.10
c) Project Advances	3,457.22	2,929.21
d) Other Recoverable (JV Partner share)	636.78	636.78
e) Amounts due from customers		
- Gross amount due from customer (Unbilled)	36,113.37	32,832.10
- Less : Related Advance Payments received	(6049.63)	(2917.66)
	30,063.74	29,914.44
TOTAL	34,805.52	34,108.96

Notes forming part of the financial statements

Note No. 8 - Other non-current and current assets

A. Non Current

Particular	As at March 31, 2024	As at March 31, 2023
(a) Balances with government authorities (other than income taxes)	3,067.12	2,110.71
TOTAL	3,067.12	2,110.71

B. Current

Particular	As at March 31, 2024	As at March 31, 2023
(a) Advances to suppliers	4,769.08	2,814.22
(b) Prepaid Expenses	884.38	497.18
(c) Travel Advance	46.54	44.09
TOTAL	5,700.00	3,355.49

Note No. 9 - Inventories (Valued at lower of cost or net realisable value)

Particular	As at March 31, 2024	As at March 31, 2023
(a) Building materials / tools	5,059.09	3,929.75
(b) Projects under Development	44,066.65	37,999.57
(c) Completed Units	2,090.45	2,090.45
Total Inventories	51,216.19	44,019.77

Note No. 10 - Trade receivables

Particular	As at March 31, 2024	As at March 31, 2023
(a) Unsecured, considered good	11,749.80	9,976.00
(b) Credit Impaired	2,919.73	2,922.12
Less: Allowance for Credit Losses	(2919.73)	(2922.12)
	11,749.80	9,976.00
Retention (Accrued but not due)		
(a) Unsecured, considered good	7,676.01	6,166.60
(b) Doubtful	-	-
Less: Allowance for Credit Losses	-	-
	7,676.01	6,166.60
Less: Related Unearned Receivables	(1577.42)	(1256.21)
TOTAL	17,848.39	14,886.39

Notes:

- The company records receivables on account of ' EPC contracts ' and ' Development sales' in the normal course of business and classify the same as "trade receivable".
- The average credit period on EPC contracts is 60 days. No Interest is charged on trade receivables.
- Trade receivables includes receivables from related parties and amount due from directors or other officers of the company either severally or jointly with any other person or any trade or other receivables due from firm or private companies in which any director is a partner, a director or member (Refer Note 33).
- The concentration of credit risk is limited due to the fact that customer base is large and unrelated.
- The Company does not provide for expected credit loss allowance development sales and receivables from related parties as the Company does not expect any loss on these sales. There is no historical credit loss experience and the Company does not expect any loss on these trade receivables.
- The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables from EPC contracts based on a provision matrix. The provision matrix takes into account historical credit losses experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix. In addition the Company provides for expected credit loss based on case to case basis

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Provision Matrix - EPC Sales

Age of receivables	% of receivables
0-1 Year	-
1-2 year	20.00%
2-3 years	35.00%
3 years and above	38.50%

Age of receivables

Particular	As at March 31, 2024	As at March 31, 2023
EPC:		
Less than 1 year	6,749.31	6,933.74
1-2 year	1,282.41	3,263.72
2-3 year	2,721.56	397.39
More than 3 year	5,677.29	3,680.64
Less :- Expected Credit Loss	(2919.73)	(2922.12)
Total	13,510.84	11,353.37
Development Sales Receivables	3,087.92	1,732.11
Receivables from Related Parties (Refer Note No. 33)	1,249.63	1,800.91
TOTAL	17,848.39	14,886.39

Movement in the expected credit loss allowance is as follows:

Particular	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2,922.12	2,612.92
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	9.78	338.73
Utilization / Reversals	(12.17)	(29.53)
Balance at end of the year	2,919.73	2,922.12

Note 10 (a)

Trade Receivable ageing schedule

Mar-24

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payments					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered good	2,559.45	271.33	983.73	824.58	4,555.02	9,194.10
(ii) Undisputed Trade Receivables - Considered doubtful	756.27	235.96	366.39	1,348.48	2,768.35	5,475.44
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total Debtors	3,315.71	507.28	1,350.12	2,173.06	7,323.37	14,669.55
Less: Allowance for Loss	-	-	-	-	-	(2919.73)
Add: Retention (Accrued but not due)	-	-	-	-	-	7676.01
Less: Related Unearned Receivables	-	-	-	-	-	(1577.42)
Net Debtors	3,315.71	507.28	1,350.12	2,173.06	7,323.37	17,848.39

Notes forming part of the financial statements

Trade Receivable ageing schedule

Mar-23

Particulars	Outstanding for following periods from due date of Payments					Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered good	3,850.06	1,106.00	1,192.50	609.12	3,416.55	10,174.24
(ii) Undisputed Trade Receivables - Considered doubtful	19.48	4.84	256.66	3.06	2,439.83	2,723.88
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total Debtors	3,869.55	1,110.85	1,449.16	612.18	5,856.38	12,898.11
Less: Allowance for Loss	-	-	-	-	-	(2922.12)
Add: Retention (Accrued but not due)	-	-	-	-	-	6166.60
Less: Related Unearned Receivables	-	-	-	-	-	(1256.21)
Net Debtors	3,869.55	1,110.85	1,449.16	612.18	5,856.38	14,886.39

Note : Ageing has been considered from the date of transactions

Note No. 11 - Cash and Bank Balances

Particular	As at March 31, 2024	As at March 31, 2023
A) Current Cash and bank balances		
(a) Unrestricted Balances with banks #	1,119.72	2,415.13
(b) Cash in hand	245.93	165.68
(c) Balances with banks in deposit accounts with original maturity of less than 3 months	101.54	1,735.65
Cash and Cash equivalent as per balance sheet	1,467.19	4,316.46
Bank Overdraft	15.48	0.30
Total Cash and cash equivalent as per statement of cash flows	1,451.71	4,316.16
B) Other Bank Balances		
(a) Balances with banks in deposit accounts with original maturity more than 3 months	28.13	430.84
(b) In earmarked accounts		
- Balances held as margin money or security against borrowing, guarantee and other commitments *	5,130.30	4,192.40
Total Other Bank Balances	5,158.43	4,623.24

* Represents margin money against various guarantees and letters of credit issued by bank on behalf of the Company. These deposits are not available for use by the Company as the same is in the nature of restricted cash.

Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

Note No. 12 - Share Capital

Share Capital	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
* Equity shares of ₹ 10 each with voting rights	26,41,30,000	2,64,13,00,000	26,41,30,000	2,64,13,00,000
* Preference Share of ₹ 10 each without voting rights	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	22,13,17,111	2,21,31,71,110	21,73,17,111	2,17,31,71,110

* The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

Notes forming part of the financial statements

Note No. 12.1 - Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2022	21,73,17,111	21,731.71
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	-	-
Balance at March 31, 2023	21,73,17,111	21,731.71
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	40,00,000	400.00
Balance at Mar 31, 2024	22,13,17,111	22,131.71

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vasudevan Family Trust	3,24,11,735	14.64	3,24,11,735	14.91
R. Vasudevan	1,99,88,624	9.03	1,99,88,624	9.20
Lalitha Vasudevan			22,27,171	1.02
Crest Ventures Limited			1,11,35,857	5.12

(iii) Details of Shareholdings by Promoter / Promoter Group

(Shares in Nos.)

Promoter / Promoter Group Name	31st March, 2024		31st March, 2023		% Change during the Year
	Numbers of Shares	% of Holding	Numbers of Shares	% of Holding	
Promoter					
Vasudevan Ramamoorthy (in the capacity of Trustee of Vasudevan Family Trust)	3,24,11,735	14.64	3,24,11,735	14.91	0%
Vasudevan Ramamoorthy	1,99,88,624	9.03	1,99,88,624	9.20	0%
Lalitha Vasudevan	22,27,171	1.01	22,27,171	1.02	0%
Siddharth Vasudevan Moorthy	41,64,953	1.88	41,64,953	1.92	0%
Sowmya Aditya Iyer	7,00,294	0.32	7,00,294	0.32	0%
Ramya Siddharth Moorthy	8,90,868	0.40	8,90,868	0.41	0%
Promoter Group					
Vatsalya Enterprises Private Limited	95,99,275	4.34	95,99,275	4.42	0%
Total	6,99,82,920		6,99,82,920		

The change in above % holding is due to increase in Equity Share Capital

(iv) As at 31 Mar, 2024, 1,60,00,000 shares (As at 31 March, 2023, 4,00,00,000 shares) were reserved for issuance as follows:

Particulars	No. of shares					
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Outstanding employee stock options granted / available for grant	1,60,00,000	40,00,000	40,00,000	80,00,000	1,20,00,000	1,20,00,000

Notes forming part of the financial statements

Note No. 12.1 - Other Equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus					TOTAL
	Securities premium reserve	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Retained earnings	
Balance at the beginning of the reporting Year - As of April 01, 2023	60,586.51	1,537.50	1,051.83	1,250.00	3290.95	67,716.79
Premium on Shares issued during the year	805.60	-	-	-	-	805.60
Amount recorded on Grant	-	-	191.39	-	-	191.39
Transferred to securities premium reserve on exercise	-	-	(605.60)	-	-	(605.60)
Other Comprehensive income for the year	-	-	-	-	33.62	33.62
Final Dividend	-	-	-	-	(543.29)	(543.29)
Profit / (Loss) for the Year	-	-	-	-	6,142.49	6,142.49
Balance at the end of the reporting Year - March 31, 2024	61,392.11	1,537.50	637.62	1,250.00	8923.77	73,741.00

Particulars	Reserves and Surplus					TOTAL
	Securities premium reserve	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Retained Earnings	
Balance at the beginning of the reporting Year - As of April 01, 2022	60,586.51	1,537.50	855.69	1,250.00	(5468.26)	58,761.44
Amount recorded on Grant	-	-	196.14	-	-	196.14
Other Comprehensive income for the year	-	-	-	-	96.51	96.51
Profit / (Loss) for the Year	-	-	-	-	8,662.70	8,662.70
Balance at the end of the reporting Year - Mar 31, 2023	60,586.51	1,537.50	1,051.83	1,250.00	3290.95	67,716.79

Description of Reserves

Retained Earnings: Retained earnings represent the amount of accumulated earnings of the Company

Securities premium reserve: The amount received in excess of the par value of equity shares has been classified as securities premium.

General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits was required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Equity-settled employee benefits reserve: The Share options outstanding account is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees

Capital Redemption Reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Note No. 13.1 - Borrowings

A. Non Current Borrowings

Particular	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost		
A. Secured Borrowings:		
a) <u>Fully Redeemable Debentures</u> 16%, 500 secured, redeemable, unlisted, unrated, non-convertible debentures of Rs. 1,00,000/- each. (Sanctioned 1500 Secured redeemable. Unlisted, unrated, non-convertible debenture of Rs. 1,00,000/- each)	-	136.17
b) Term Loan from Financial Institution	7,909.90	6,221.06
Total Secured Borrowings	7,909.90	6,357.22
B. Unsecured Borrowings - at amortised Cost		
(a) Loans from related parties	20.25	23.58
Total Unsecured Borrowings	20.25	23.58
Total Borrowings carried at Amortised Cost [A] + [B]	7,930.15	6,380.80
Total Non-Current Borrowings	7,930.15	6,380.80

B. Current Borrowings

Particular	As at March 31, 2024	As at March 31, 2023
A. Secured Borrowings		
Cash Credit from Banks *	2,099.51	4,551.84
Current maturities of long-term debt	4,606.66	1,608.64
Total Secured Borrowings	6,706.17	6,160.48
B. Unsecured Borrowings		
(a) From Banks (Bank overdraft)	15.48	0.30
(b) Loans from related parties	505.95	632.31
(c) Loans from other parties	34.83	69.91
Total Unsecured Borrowings	556.26	702.52
Total Current Borrowings	7,262.43	6,863.00

* Cash Credit from Banks ranging from 10 % -12 % is secured by way of hypothecation of building materials, work in progress, finished flats, book debts and equitable mortgage of specified properties of the Company and other entities including a wholly owned subsidiary, corporate guarantee of other Companies including a wholly owned subsidiary and personal guarantee of the Managing Director of the Company.

Note No. 13 (i) - Lease Liabilities

A. Non - Current

Particular	As at March 31, 2024	As at March 31, 2023
Lease Liability obligation (Refer Note 29)	1.49	30.78
Finance Lease Liability (Refer Note 29)	-	37.96
Other Non-Current Lease Liabilities	1.49	68.74

B. Current

Particular	As at March 31, 2024	As at March 31, 2023
(a) Current maturities of finance lease obligations (Refer Note 29)	41.81	13.61
(b) Current maturities of lease obligations IND AS 116 (Refer Note 29)	29.29	33.57
Other Current Lease Liabilities	71.10	47.18

Notes forming part of the financial statements

13.2 Disclosure regarding long term borrowings

(₹ in Lakhs)

Name of the lender	Outstanding amount	Current Maturities	Long Term				Total Long Term Borrowings	Rate of interest	Nature of security
			Apr 25 to Mar 26	Apr 26 to Mar 27	Apr 27 to Mar 28	Apr 28 to Mar 36			
I. Secured									
a) Aditya Birla Finance Limited	2,491.10	1,125.00	1,366.10	-			1,366.10	15.40%	<ol style="list-style-type: none"> 1. Exclusive charge on Entire land admeasuring 40,152 sq.mtr along with present and proposed construction thereon excluding sold and registered units along with hypothecation of receivables from sold units (including in unsold units from phase 1 & 2 for project Vascon Good Life located Talegaon MIDC Road, situated at Katvi, Tal - Maval Dis. Pune. Minimum Security cover of 2x and net realisable cover of 2x ti,es on proposed security 2. First and exclusive charge by way of hypothication on all the present and future receivables (sold and unsold), on the above mentioned project 3. Exclusive charge on pass through escrow account for deposit of surplus share of profit of VEL for the Project Forest County from Tower N & W with receivable to the tune of Rs. 14.75 Crs.. 4. First and exclusive charge by way of hypothication on the RERA Escrow account for the Project Vascon Goodlife, all monies credited or deposited therein and all investment in respect thereof.
b) Aditya Birla Finance Limited - 10 Crore	942.50	36.23	41.07	46.56	52.50	766.13	906.27	12.60%	<ol style="list-style-type: none"> 1. Duplex Flat no 701, Floor No;- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. 2. Duplex Flat No a-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
c) Aditya Birla Finance Limited - 6.60 Crore	621.54	28.84	32.61	36.87	41.53	481.68	592.69	12.35%	<ol style="list-style-type: none"> 1. Duplex Flat no 701, Floor No;- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. 2. Duplex Flat No A-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Name of the lender	Outstanding amount	Current Maturities	Long Term				Total Long Term Borrowings	Rate of interest	Nature of security
			Apr 25 to Mar 26	Apr 26 to Mar 27	Apr 27 to Mar 28	Apr 28 to Mar 36			
d) Aditya Birla Finance Limited - 15 Crore	1,111.04	1,027.93	83.10				83.10	13.50%	<ol style="list-style-type: none"> 1. Duplex Flat no 701, Floor No:- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. 2. Duplex Flat No A-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
e) Tata Capital Financial Services Limited	2,971.95	642.85	857.14	857.14	614.83		2,329.10	13.25%	<ol style="list-style-type: none"> 1. First and exclusive charge by way of mortgage on commercial project land proposed to be developed i.e 3600 Sq Mtrs. Situated at Survey No.75,hissa no 2/1 situated at village kharadi,taluka haveli ,District Pune (PINCODE) standing in the name of M/S Rainbow associates (Security Provider) having clear and marketable title. 2. Hypothecation and escrow of developer's share in sold and unsold receivables from commercial project at mortgaged land. 3. all the cashflows from project(developer's share) to be routed through TCSFL escrow account.
f) Vivriti Capital Limited	2,481.25	1,095.24	1,386.01	-	-	-	1,386.01	13.25%	<ol style="list-style-type: none"> i. An exclusive charge, by way of registered mortgage over the Mortgaged Properties together with all buildings, structures and appurtenances thereon and thereunder; Where, "Mortgaged Properties" shall mean: <ol style="list-style-type: none"> a. A commercial unit admeasuring 684.37 Sq.ft. built-up area situated at 1st Floor Unit, Golden Nest CHS, A-Building, S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower; b. A commercial restaurant unit admeasuring 1664.32 Sq.ft carpet area situated at 1st Floor Unit, Golden Nest CHS, A-Building, S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower; and c. A residential studio apartment admeasuring 844 Sq.ft carpet area situated at S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Apartment Studio Unit No.701, 7th Floor, Sapodilla Building, Marigold Complex, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower;

Notes forming part of the financial statements

Name of the lender	Outstanding amount	Current Maturities	Long Term				Total Long Term Borrowings	Rate of interest	Nature of security
			Apr 25 to Mar 26	Apr 26 to Mar 27	Apr 27 to Mar 28	Apr 28 to Mar 36			
									ii. A subservient and continuing charge by way of hypothecation on all current assets, movable and fixed assets of the Borrower including all plant and machinery, spares, tools, accessories, furniture, fixtures, book debts, both present and future and all current assets of the Borrower, both present and future as more particularly defined in the Deed of Hypothecation; iii. Cash collateral of 10% (Ten Percent) of the Facility amount in the form of interest free security deposit placed with the Lender, with a lien and set off marked in favour of the Lender ("Cash Collateral") in proportion to drawdown amount, Rating Downgrade cash collateral, Security Breach Cash collateral and a demand promisory note and a Letter of Continuity.
c) Tata Capital Financial Services Limited	789.78	356.80	339.91	93.07			432.99	14.75%	1. First charge by way of Hypothecation on the receivables of sale of developers identified units into an escrow account. 2. First and exclusive charge by way of Mortgage on property situated at Tulips Phase -3, Block 6 & 7 at S nos 551/1,2,556/1D,1E,557/3,560/3, T S No 13/1A, Ward no 28, Block No 1 of Sowripalayam Village, East Zone, Coimbatore, Tamil Nadu 641028.
g) Union Bank of India - UGECL	106.78	59.76	26.69	20.32			47.02	9.25%	1. 100% Guarantee covered by National Guarantee Trust Company (NCGTC) id available. 2. Second Charge on existing Prime Security of Hypothecated Stock and Books Debts. Second charge on all the existing Prime / Collateral Securities
h) State Bank of India - Guaranteed Emergency Credit Line	900.75	234.00	222.25	222.25	222.25		666.75	8.95%	Extension of charge (2nd charge) over the existing Primary & collateral securities created in favour of the Bank (Consortium Banks)
i) UBI OD against Fixed Deposit	84.33	-	84.33	-	-		84.33	5.30%	Secured against fixed deposit
j) Bank of Maharashtra	15.54	-	4.10	2.39	2.64	8.81	17.94	10.45%	Hypothecation of Vehicle financed by lender
From financial institution									
Daimler Financial Services India Pvt Ltd	41.81	41.81	-	-	-		-	8.17%	Hypothecation of Vehicle financed by lender
a) Loans and advances from related parties									
- Subsidiaries									
Almet Corporation Limited	20.25	-	20.25	-	-		20.25	9.00%	Not Applicable
Total	12,578.61	4,648.47	4,463.57	1,278.60	933.75	1,256.62	7,932.54		

* Interest accrued and due on borrowings as on 31st Mar, 2024 disclosed under other current liabilities (Refer Note 14)

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Note No. 14 - Other Financial Liabilities

(₹ in Lakhs)

A. Non - Current

Particular	As at March 31, 2024	As at March 31, 2023
Commitment and other deposits	880.65	889.46
Other Non-Current Financial Liabilities	880.65	889.46

B. Current

Particular	As at March 31, 2024	As at March 31, 2023
(b) Interest accrued but due on borrowings	1.05	2.05
(c) Creditors for capital supplies/services	111.18	70.52
(d) Others	22.61	20.59
Total other financial liabilities	228.29	164.15

Note No. 15 - Trade Payables

(₹ in Lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Total Outstanding dues of Micro and Small Enterprises (Refer Note No. 35)	1,077.74	84.48
Total Outstanding dues of Creditors other than Micro and Small Enterprises	35,335.92	33,543.51
Total trade payables	36,413.66	33,627.99

Note 15 (a)

Mar-24

Trade Payables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	1,039.78	32.97	1.83	3.16	1,077.74
(ii) Others	21,573.28	2,428.58	1,868.73	9,465.33	35,335.92
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-

Trade Payables ageing schedule

Mar-23

Particulars	Outstanding for following periods				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	77.21	-	-	7.27	84.48
(ii) Others	21,660.77	2,211.71	2,041.23	7,629.80	33,543.51
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-

Note : Ageing has been considered from the date of transactions

Notes forming part of the financial statements

Note No. 16 - Provisions

Current		(₹ in Lakhs)	
Particular	As at March 31, 2024	As at March 31, 2023	
(a) Provision for employee benefits			
1) Compensated absences	776.30	736.70	
2) Gratuity (Refer Note 31)	844.86	750.52	
(b) Other Provisions			
Taxation	41.78	48.93	
Total Provisions	1,662.94	1,536.15	

Note No. 17 - Current Tax and Deferred Tax

(a) Income Tax Expense

Particular	As at March 31, 2024	As at March 31, 2023
Current Tax:		
Current Income Tax Charge	643.00	-
Adjustments in respect of prior years	-	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total Tax Expense recognised in profit and loss account	643.00	-

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :

Particular	As at March 31, 2024	As at March 31, 2023
Profit Before tax from Continuing Operations	6,785.49	8662.70
Income Tax using the Company's domestic Tax rate @ 25.168% (Previous Year Tax Rate @ 25.168%)	1,707.77	2180.23
Tax Effect of :		
- Non deductible Expenses	414.52	0.00
- Tax - Allowable expenditure	(335.41)	0.00
- Tax - Exempt income	(387.92)	(489.66)
- Recognition of Tax Effect of Previously unrecognised tax losses	(755.96)	(1690.57)
Income Tax recognised In P&L from Continuing Operations	643.00	-

Particular	As at March 31, 2024	As at March 31, 2023
<u>Tax effect of items constituting deferred tax liabilities</u>		
Property, Plant and Equipment	608.45	774.47
	608.45	774.47
<u>Tax effect of items constituting deferred tax assets</u>		
Employee Benefits	408.01	374.30
Carry forward Tax Loss	200.44	400.17
	608.45	774.47
Net Tax Asset (Liabilities)	-	-

Note : Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Company, basis their assessment opted for a lower corporate tax rate as per section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2020-21 onwards. Accordingly, the Company recognized Provision for Income Tax and re-measured the Deferred Tax Liabilities on the basis of the revised lower tax rate and impact of the same was recognized in the year ended March 31, 2024

Notes forming part of the financial statements
Note - 18: Other Liabilities

Other Current Liabilities		(₹ in Lakhs)	
Particular	As at March 31, 2024	As at March 31, 2023	
a. Advances received from customers			
- Gross amount due to customers	18,766.55	11,072.03	
- Less : Related Unbilled Revenues	(6049.63)	(2917.66)	
	12,716.92	8,154.37	
b. Amount due to customers under construction contracts			
- Gross amount due to customers (Unearned)	4,360.38	4,395.87	
- Less : Related Debtors	(1577.42)	(1256.21)	
	2,782.96	3,139.66	
c. Statutory dues			
- taxes payable (other than income taxes)	2,004.87	1,606.47	
Total Other Liabilities	17,504.75	12,900.50	

Note No. 19 - Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue recognized / sales		
- Contract revenue	71,385.67	64,936.83
- Sale of unit	2,545.82	9,079.35
- Trading sales	232.99	323.92
- Other sales (Includes maintenance charges of soceity,Hire charges, Scrap Sales)	256.12	263.28
Other operating income		
- Rent earned	356.82	198.54
- Share of profit / (loss) from Partnership firms (net)	1,562.71	1,945.55
Total Revenue from Operations	76,340.13	76,747.47

Note No. 20 - Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest Income		
On Financial Assets at Amortised Cost	741.30	578.41
(b) Investments carried at fair value through profit or loss	5.51	7.81
Liquid Mutual fund units		
(c) Provisions / Creditors no longer required written back	382.23	335.32
(d) Profit on sale of capital assets (Net of loss on assets sold / scrapped / written off)	29.18	10.74
(e) Miscellaneous Income	18.29	27.53
Total Other Income	1,176.51	959.81

Notes forming part of the financial statements

Note No. 21.a - Cost of materials and services consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract	60,539.52	56,050.33
Development	6,520.18	4,386.30
Incidental borrowing cost incurred attributable to qualifying assets	1,448.04	1,405.26
Cost of materials and services consumed	68,507.74	61,841.89

Note : Consumption includes excess / shortages on physical count, write off of obsolete items etc.

Note No. 21.b - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<u>Closing balance of projects under development :</u>		
Completed Units	2,090.45	2,090.45
Projects under Development	44,066.65	37,999.57
	46,157.10	40,090.02
<u>Opening balance of projects under development:</u>		
Completed Units	2,090.45	3,059.01
Projects under Development	37,999.57	37,014.42
	40,090.02	40,073.43
Net (increase) / decrease	(6,067.08)	(16.59)

Note No. 22 - Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Salaries and wages, including bonus (Refer Note 31)	3,044.62	2,812.67
(b) Contribution to provident and other funds	193.55	170.97
(c) Share based payment transactions expenses	191.39	196.14
(d) Staff welfare expenses	64.93	65.01
Total Employee Benefit Expense	3,494.49	3,244.79

Note No. 23 - Finance Cost

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Interest expense	2,585.19	2,293.19
(b) Other borrowing cost	215.54	118.65
	2,800.73	2,411.84
<i>Less: Amounts included in the cost of qualifying assets</i>	<i>(1,448.04)</i>	<i>(1,405.26)</i>
Total finance costs	1,352.69	1,006.58

Notes forming part of the financial statements
Note No. 24 - Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Repairs to buildings	91.87	57.96
(b) Power & Fuel oil consumed	94.43	79.49
(c) Rent including lease rentals	118.07	234.33
(d) Repairs and maintenance - Others	56.48	106.17
(e) Rates and taxes	138.05	47.83
(f) Insurance charges	105.43	65.74
(g) Provision for doubtful debts and advances	382.74	309.20
(h) Auditors remuneration and out-of-pocket expenses		
(1) Audit Fees	37.50	35.50
(2) Limited Review	22.50	21.00
(3) Certification services	10.05	-
(i) Other expenses		
(1) Legal and other professional costs	762.14	550.93
(2) Advertisement, Promotion & Selling Expenses	122.66	363.44
(3) Travelling and Conveyance Expenses	114.13	115.40
(4) Postage and telephone	30.88	32.84
(5) Printing and stationery	15.84	19.11
(6) Brokerage / commission	121.17	73.64
(7) Donations	12.22	4.78
(8) Corporate Social Responsibility Expenditure (Refer Note 40)	41.00	-
(9) Bank charges	62.81	55.54
(10) Hire Charges Paid	12.61	14.10
(11) Miscellaneous Expenses	494.56	192.45
Total Other Expenses	2,847.64	2,379.45

Note No. 25 - Earning Per share

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	Per Share	Per Share
Basic Earnings per share (₹)	2.80	3.99
Diluted Earnings per share (₹)	2.80	3.99

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	(₹ in Lakhs)	
Profit for the year attributable to owners of the Company	6,142.49	8,662.70
Weighted average number of equity shares (Nos.)	219,109,461	217,317,111
Earnings per share - Basic (₹)	2.80	3.99

Notes forming part of the financial statements

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the Stock options for the respective periods. Anti-dilutive effect, if any, has been ignored.

Particulars	(₹ in Lakhs)	
	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit for the year attributable to owners of the Company	6,142.49	8,662.70
Weighted average number of equity shares used in the calculation of Basic EPS (Nos.)	219,109,461	217,317,111
Employee Stock Option Plans (Nos.)	-	419,628
Weighted average number of equity shares used in the calculation of Diluted EPS (Nos.)	219,109,461	217,736,739
Earnings per share - Dilutive (₹)	2.80	3.99

Note No. - 26 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments

Particulars	(₹ in Lakhs)			
	Carrying amount		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Non - Current Assets				
(i) Investments	10,364.22	10,364.22	10,364.22	10,364.22
(ii) Loans	124.62	113.46	124.62	113.46
(iii) Others Financial Assets	15,296.49	11,370.25	15,296.49	11,370.25
Current Assets				
(i) Trade receivables	17,848.39	14,886.39	17,848.39	14,886.39
(ii) Cash and cash equivalents	1,467.19	4,316.46	1,467.19	4,316.46
(iii) Bank balances other than (ii) above	5,158.43	4,623.24	5,158.43	4,623.24
(iv) Loans	9,193.59	8,641.75	9,193.58	8,641.75
(v) Others Financial Assets	34,805.52	34,108.96	34,805.94	34,108.96
Financial assets measured at fair value through Statement of Profit & Loss				
(a) Current investments	404.97	346.59	404.97	346.59
(b) Non Current investments quoted	0.11	0.11	0.11	0.11
(b) Non Current investments unquoted	2,750.25	2,750.25	2,750.25	2,750.25
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Non - Current Liabilities				
(i) Borrowings	7,930.15	6,380.80	7,930.15	6,380.80
(ii) Other financial liabilities	880.65	888.46	880.65	888.46
(iii) Lease Liability	1.49	68.74	1.49	68.74
Current Liabilities				
(i) Borrowings	7,262.43	6,863.00	7,262.43	6,863.00
(ii) Lease Liability	71.10	47.18	71.10	47.18
(iii) Trade and other payables	36,413.66	33,628.99	36,413.66	33,628.99
(iv) Other financial liabilities	228.29	164.15	228.29	164.15

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

Notes forming part of the financial statements

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

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

The following methods and assumptions were used to estimate fair value:

- (a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- (b) Security deposit paid are evaluated by the Company based on parameters such as interest rate non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.
- (c) Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.
- (d) The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting year. The own non performance risk as at the reporting was assessed to be insignificant.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed , either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents the assets and liabilities measured at fair value on recurring basis at March 31, 2024 and March 31, 2023.

Particulars	Level 1	Level 2	Level 3
March 31, 2024			
Investment in mutual funds	170.97	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-
March 31, 2023			
Investment in mutual funds	112.59	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-

During the year ended Mar 31, 2024, there were no transfer between Level 1 and Level 2 fair value measurement and no transfer into and out of Level 3 fair value measurement.

Note No. 27 - Financial Instruments and Risk Review

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

Notes forming part of the financial statements

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 20% to 50%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Borrowings	15,234.38	13,295.39
Trade Payables	36,413.66	33,628.99
Less : Cash and Cash Equivalents	6,625.62	8,939.70
Net Debt	45,022.42	37,984.68
Equity	95,872.71	89,448.50
Total Capital	95,872.71	89,448.50
Capital and Net Debt	140,895.13	127,433.18
Gearing Ratio	32%	30%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the Year Ended March 31, 2024 and Year Ended March 31, 2023.

Financial Risk Management Framework

Vascon Engineers Limited is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade payables and borrowings. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial asset represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 76512.54 lakhs and ₹ 68,965.71 lakhs as at March 31, 2024 and March 31, 2023 respectively. Trade receivables are typically unsecured and are derived from revenue earned from Development and EPC customers. Credit risk is managed by the Company by continuously monitoring the recovery status of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2024 and March 31, 2023, however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Notes forming part of the financial statements

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than 1 year.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting year is as follows.

Movement in the expected credit loss allowance:

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2,922.12	2,612.91
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	9.78	338.73
Utilization / Reversals	(12.17)	(29.53)
Balance at the end of the year	2,919.73	2,922.12

ii) Liquidity Risk
a) Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	31-Mar-24		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	36,413.66	-	-
Other Financial Liabilities	228.29	880.65	-
Working capital demand loans / Term loans	7,262.43	7,930.15	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	-	-

Particulars	31-Mar-23		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	33,628.99	-	-
Other Financial Liabilities	164.15	888.46	-
Working capital demand loans / Term loans	6,863.00	6,244.63	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	136.17	-

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or having economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

Notes forming part of the financial statements

Note No. 28 - Share Based Payments

Employee stock option scheme (ESOS) - 2017

The ESOS was approved by Board of Directors of the Company on 10th Aug 2017 and thereafter by the share holders on 15th September 2017. A compensation committee comprising of independent directors of the company administers the ESOS plan. Each option carries with it the right to purchase one equity share of the company. All options have been granted at a predetermined rate of ₹ 28/- per share. The maximum exercise period is 4 year from the date of vesting i.e 30th Sept 2017.

The ESOS granted on 10th August 2017, was repriced on 15th March 2019, at a predetermined rate of ₹ 15/- per share. The maximum exercise period is 4 year from the date of vesting i.e 30th Sept 2017. The ESOS granted on Feb 2021, was repriced on 8th Sept 2020, at a predetermined rate of ₹ 10/- share.

Number of options granted , exercised , cancelled / lapsed during the financial year are as follows :

Particulars	FY 2023-24	FY 2022-23
Options granted, beginning of the year	4,000,000	4,000,000
Granted during the year	4,000,000	-
Exercised during the year	-	-
Cancelled/lapsed during the year	-	-
Options granted, end of the year	-	4,000,000
Weighted Average remaining life	-	-

Employee stock option scheme (ESOS) - 2020

The ESOS was approved by Board of Directors of Company in its meeting held on 14th July 2020 and further confirmed and approved by members on 8th September 2020. Nomination and Remuneration Committee Administers the plan. Each option carries with it the right to purchase one equity share of the company. All options have been granted at a predetermined rate of ₹ 10/- per share. The maximum exercise period is 1 year from the date of vesting.

Number of options granted , exercised , cancelled / lapsed during the financial year are as follows :

Particulars	FY 2023-24	FY 2022-23
Options granted, beginning of the year	1,60,00,000	1,60,00,000
Granted during the year	-	-
Exercised during the year	-	-
Cancelled/lapsed during the year	-	-
Options granted, end of the year	1,60,00,000	1,60,00,000
Weighted Average remaining life	3.58	4.00

The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Binomial lattice option pricing model, considering the expected weighted average term of the options to be 1 year from the date of vesting, an expected dividend rate on the underlying equity shares, a risk free rate and weighted average volatility in the share price. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price after eliminating the abnormal price fluctuations.

The inputs used in the measurement of the fair values at grant date of the share-based payment plans were as follows.

Particulars	Employee Share Purchase Plan	Employee Share Purchase Plan
	ESOS - 2020	ESOS - 2017
Share price at grant date (₹ per share)	9.75	29.55
Exercise price (₹ per share)	10	15
Expected volatility	68.11%	68.00%
Expected life / Option Life	1 year from the date of vesting	4 Year from the date of vesting
Expected dividends yield	2%	2%
Risk-free interest rate (based on government bonds)	5.90%	6.70%

Notes forming part of the financial statements

Note No. 29 - Disclosures under Ind AS 116

The Company has elected below practical expedients on transition to Ind AS 116:

- (i) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (ii) Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
- (iv) Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration

- (v) The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.
- (vi) The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2019 is 13% and still continued to this year

(A) Leases as lessee

(i) The movement in Lease liabilities during the year

Particulars	(₹ in Lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	115.92	139.21
Additions during the year	-	14.06
Deletion during the year	-	-
Finance costs incurred during the year	10.30	15.43
Payments of Lease Liabilities	53.63	52.78
Closing Balance	72.59	115.92

(ii) The carrying value of the Rights-of-use and depreciation charged during the year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note -3 "Property, Plant & Equipments & Intangible Assets".

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Expenses related to Short Term Lease & Long Term Lease		
- Finance Cost	10.30	15.43
- Depreciation	32.21	33.26
(ii) Expenses related to Short Term Lease & Low Asset Value Lease	130.68	248.43
Total Expenses	173.19	297.12

(iv) Maturity analysis of lease liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Maturity Analysis of contractual undiscounted cash flows		
Before 3 Month	56.15	13.21
3-6 months	8.54	13.21
6-12 months	8.60	27.20
1-3 years	1.52	73.68
3 - 5 years	-	-
above 5 years	-	-
Total undiscounted Lease Liability	74.81	127.30

Notes forming part of the financial statements

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances of Lease Liabilities		
Non Current Lease Liability	1.48	68.74
Current Lease Liability	71.11	47.18
Total Lease Liability	72.59	115.92

Note No. 30 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Contingent liabilities		
(a) Disputed demands for Income Tax	261.50	-
(b) Disputed demands for Value Added Tax, GST & Others	1,099.88	1,450.78
(c) Performance and financial guarantees given by the Banks on behalf of the Company	20,956.54	15,646.82
(d) Corporate guarantees given for other companies / entities and mobilization	5,927.19	13,237.19
(e) Claims against the Company not acknowledged as debt	2,959.23	2,971.62

- (i) The Creditors of the Company have filed a civil suit claiming of ₹ 88.28 lakhs (Previous year ₹ 100.67 lakhs) as amount due to them, which claims the Company is disputing.
- (ii) One of the labour supplier has filed a criminal complaint in Additional Magistrate Court, Dadar, Mumbai, for recovery of his dues for ₹ 3.95 lakhs (Previous year - ₹ 3.95 lakhs).
- (iii) One of the customer has filed arbitration proceeding against the Company for loss on account of wastage i.e. excess consumption of cement and steel, loss on account of escalation of cement and steel, additional cost incurred for completing the balance work, loss for rectifying defective work, refund of amount in VAT and excess duty, loss of reputation and liquidated damages and interest, amounting to ₹ 2867 lakhs (Previous year - ₹ 2,867 lakhs).
- (v) In earlier years Vascon Dwelling Private Limited (Merged Company) has entered into agreement for sale in respect of plot of land admeasuring 5,016.95 sq mtrs for a consideration of ₹ 376.27 lakhs.

In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land.

As per the conditional sale the company has to obtain clear enforceable title within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 87.80 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 3 lakhs per month from the date of breach till the date of curing the breach.

In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also recived the Court Order for the same.

On 31st July 2023, Company have entered into Deed of Conveyance with Ashoka Infraways Ltd. and at present no Pending compliance by the Company.

- (vi) In earlier years Vascon Dwelling Private Limited (Merged Company) has transferred Development rights in respect of plot of land admeasuring 3,940 sq mtrs for a consideration of ₹ 295.50 lakhs

In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land.

As per the conditional sale the company has to obtain clear enforceable title and to obtain certain permission/clearance within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 68.95 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 2.35 lakhs per month from the date of breach till the date of curing the breach.

In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also recived the Court Order for the same.

Notes forming part of the financial statements

On 31st July 2023, Company have entered into Deed of Conveyance with Ashoka Infraways Ltd. and at present no Pending compliance by the Company.

- (vii) In earlier years Vascon Dwelling Private Limited (Merged Company) has entered into agreement for sale in respect of plot of land admeasuring 11,377 sq mtrs for a consideration of ₹ 853.35 lakhs

The company is under obligation to obtain tentative layout approval from corporation, which is subject to new Development Plan to be issued by the corporation.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 100 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and right to claim damages.

In respect of the above three agreement to sale of plots the company has recognised the sales amounting to ₹ 1,525.12 lakhs and profit of ₹ 659.67 lakhs. As on date of the balance sheet the company has not received any notice from the purchaser/transferee for termination of the agreement or claiming any interest/compensation.

In the Previous financial year the Company obtained NA Order for the land admeasuring about 16950 sq.mtrs., which includes and excess land admeasuring about 1473 sq.mtrs., has also been exempted and have become free hold now final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed and the necessary effect to the 7/12 extract required to be effected.

In the Current Financial year there were various site related compliances remained to be completed by Company. Out of which most of the compliances Company had completed. Now few more compliances have remained to be completed those are as follows :

- a) final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed
- b) during pendency of our development activities the adjacent owner/ developer of the land bearing S.No. 113/2B part, adm. about 10,000.00 sq.mtrs., has encroached on our plot of land to the tune of adm. about 300.00 sq.mtrs., of an area for which removal of the said encroachment, we have filed Spl. Civil Suit against the said land owners / developers in the Civil Court Nashik, which is pending for compliance by the Defendant developer.
During the process of our compliance Ashoka Infraways had filed a Spl. Civil Suit against Vascon for specific performance for non compliance of various agreed things as per various terms of development agreement. Since Vascon have complied with all terms & conditions as per the said Development Agreement and due to amicable settlement arrived between the parties, Ashoka Infraways have withdrawn the said Spl. Civil Suit unconditionally.
- c) after demarcating the said land adm. about 16950.00 sq.mtrs., (inclusive of portion of land adm. about 4000.00 sq.mtrs., remained to be develop for owners) the entier plot will be divided in to various sub plots and accordingly the ultimate effect will be given to the said 7/12 extract.
- (f) Tax department initiated prosecution u/s 276B of the Income Tax Act and filed a Court complaint for AY 2016-17 and 2017-18. Vascon paid all the TDS dues along with applicable interest and penalty for late filing there on and applied vide letter dt. 20th December 2019 to the Chief Commissioner of Income tax, Pune for Compounding of offences. Such application of Compounding is pending for disposal with the Chief Commissioner of Income Tax Pune. The amount w.r.t. the above proceeding is not quantifiable

For Development projects and according to the facts:

Pending final decision and interim stay granted by the Hon'ble High Court of Bombay in case of MCHI, the Company , has in case of certain development projects, neither collected nor paid Maharashtra Value Added Tax and in case of certain development projects, has paid Maharashtra Value Added Tax

Particulars	₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,385.93	1,636.98

Notes forming part of the financial statements

Note No. 31 - Employee benefits

(a) Defined Contribution Plan

The Company makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner. Under this scheme, the Company is required to contribute a specified percentage of payroll cost to fund the benefits. The Company has recognized ₹ 172.83 lakhs for Provident Fund contributions (March 31, 2023 : ₹ 160.27 lakhs) and ₹ 20.71 lakhs (March 31, 2023 : ₹ 10.70 lakhs) towards ESIC in the Statement of Profit and Loss. The provident fund and ESIC contributions payable by the Company are in accordance with rules framed by the Government from time to time. Figures stated in the para are after capitalisation.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Defined benefit plans – as per actuarial valuation on 31st March, 2024

Particulars	Funded Plan	
	Gratuity	
	2024	2023
Service Cost		
Current Service Cost	92.84	89.20
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	54.69	56.47
Components of defined benefit costs recognised in profit or loss	147.53	145.67
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	0.23	0.16
Actuarial gains and loss arising from changes in financial assumptions	(32.20)	(20.28)
Actuarial gains and loss arising from experience adjustments	2.06	(76.22)
Actuarial gains and loss arising from demographic adjustments	(3.70)	-
Others (describe)		
Components of defined benefit costs recognised in other comprehensive income	(33.59)	(96.34)
Total	113.94	49.33
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	878.40	785.43
2. Fair value of plan assets as at 31st March	33.54	34.92
3. Surplus/(Deficit)	(844.86)	(750.52)
4. Current portion of the above	844.86	750.52
5. Non current portion of the above	33.54	34.92
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	(785.44)	(931.72)
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	(92.84)	(89.20)
- Past Service Cost		
- Interest Expense (Income)	(57.26)	(58.32)
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	3.70	-
ii. Financial Assumptions	32.20	20.28
iii. Experience Adjustments	(2.06)	76.22

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

Particulars	(₹ in Lakhs)	
	Funded Plan	
	Gratuity	
	2024	2023
5. Benefit payments	23.30	197.30
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	(878.40)	(785.44)
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	34.92	15.63
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. <i>Expenses Recognised in Profit and Loss Account</i>		
- Expected return on plan assets	2.57	1.84
- Mortality Charges and Taxes	(3.44)	(3.82)
4. <i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains / (losses)</i>		
- Actual Return on plan assets in excess of the expected return	(0.23)	(0.16)
5. Contributions by employer (including benefit payments recoverable)	23.02	34.11
6. Benefit payments	(23.30)	(12.68)
7. Fair value of plan assets at the end of the year	33.54	34.92
IV. The Major categories of plan assets (As % of Total Plan Assets)		
Funds Managed By Insurer	100%	100%
V. Actuarial assumptions		
1. Discount rate	7.20%	7.40%
2. Expected rate of return on plan assets	7.40%	7.00%
3. Attrition rate	5.00%	7.00%

Maturity Profile of Defined Benefit Obligation:

For the Year Ended March 31, 2024	Expected Benefit Payment Rounded to the nearest thousand (in ₹)
2025	19,758,000
2026	7,891,000
2027	8,073,000
2028	10,771,000
2029	6,288,000
2030-2034	57,809,000

Sensitivity analysis for each significant actuarial assumption is required to be given, (illustration for medical inflation given below. Company needs to provide for others)

A. Effect of 1 % change in the assumed discount rate	1% Increase		1% Decrease	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Defined Benefit Obligation	822.96	738.88	941.51	838.12
B. Effect of 1 % change in the assumed Salary Escalation Rate	1% Increase		1% Decrease	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Defined Benefit Obligation	923.43	822.08	837.54	751.81
C. Effect of 1 % change in the assumed Withdrawal Rate	1% Increase		1% Decrease	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Defined Benefit Obligation	882.57	786.91	873.88	783.90

Notes forming part of the financial statements

VIII. Experience Adjustments:	Year Ended	
	2024	2023
	Gratuity	
1. Defined Benefit Obligation	(878.40)	(785.44)
2. Fair value of plan assets	33.54	34.92
3. Surplus/(Deficit)	(844.86)	(750.52)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	2.06	(76.22)
5. Experience adjustment on plan assets [Gain/(Loss)]	0.37	0.29

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note No. 32 - Significant estimates and assumptions

Estimates and Assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes will be reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Details about gratuity obligations are given in Note 31.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Company has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee company, fair value of share price of the investee company on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Notes forming part of the financial statements

Note 33 : Related Party Transactions

I Names of related parties

1. Subsidiaries
 - Marvel Housing Private Limited
 - GMP Technical Solution Private Limited
 - Almet Corporation Limited
 - Marathawada Realtors Private Limited
 - GMP Technical Solutions Middle East (FZE)
 - Vascon Value Homes Private Limited
 - River Shore Developer Private Limited (*Striked off wef 05.10.22*)
2. Joint Ventures
 - Phoenix Ventures
 - Ajanta Enterprises
 - Vascon Developers LLP (*w.e.f 6th Oct 2022*)
 - Vascon Saga Constructions LLP
 - Vascon Qatar WLL
3. Associates
 - Sita Laxmi Mills Ltd
 - DCS Conventions and Hospitality Private Limited
 - Mumbai Estate Private Limited
4. Key Management Personnel
 - Mr. R. Vasudevan
 - Mr. Siddarth Vasudevan
 - Dr Santosh Sundararajan
 - Mr. Somnath Biswas
 - Ms. Sarita Rameshlal Ahuja (*w.e.f 01-02-2023*)
 - Ms.Vibhuti Dani (*resigned w.e.f 31-01-2023*)

Other Directors

 - Mr. K G Krishnamurthy
 - Mr.Mukesh Malhotra
 - Ms. Sowmya Aditya Iyer
 - Mr. S Balasubramanium
 - Ms. Tara Subramanium
5. Relatives of Key Management Personnel
 - Mrs. Thangam Moorthy
 - Mrs. Lalitha Vasudevan
 - Mrs. Lalitha Sundararajan
 - Mrs. Ramya Moorthy
 - Mrs. Shilpa Shivaram
6. Establishments where in which individuals in serial number (4) and (5) exercise significant Influence
 - Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)

Notes forming part of the financial statements

- Vastech Consultants Private Limited
- Vastech consultants and engineers LLP
- Vatsalya Enterprises Private Limited
- Kanchi Properties Pvt Ltd.
- Bellflower Premises Private Limited
- Cherry Construction Private Limited
- Stresstech Engineers Pvt Ltd.
- Syringa Engineers Private Limited (Formerly known as Syringa Properties Private Limited)
- Vascon Infrastructure Limited
- Venus Ventures
- Seraphic Design Private Limited
- Sira Assets LLP
- Hamcon Engineers Pvt Ltd
- Daffodil Projects Pvt Ltd
- Conamore Resorts Pvt Ltd.
- Rose Premises Pvt Ltd
- One Stop Shop India P Ltd
- Deep Advisory Services
- Space Centric Marketing & Construction Consultancy Pvt Ltd

II Related party transactions

	(₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
(a) Sales and work	3,315.99	3,041.18
Joint Ventures		
Ajanta Enterprises	186.55	706.74
Total	186.55	706.74
Key management Personnel		
Mr.Mukesh Malhotra	-	3.44
Dr Santosh Sundararajan	-	2.63
Total	-	6.06
Enterprise where KMP & Relatives of KMP significant influence		
Cherry Constructions Private Limited.	1,175.32	1,428.37
Stresstech Engineers Pvt Ltd.	17.49	-
Kanchi Properties Pvt Ltd.	1,936.64	-
Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	-	900.00
Total	3,129.44	2,328.37
(b) Interest Income/commission Received	207.87	243.20
Subsidiaries		
Interest		
Marathawada Realtors Private Limited	8.90	8.83
River Shore Developer Private Limited	-	108.20
Commission		
GMP Technical Solutions Private Limited	12.63	10.71
Total	21.53	127.74
Joint Venture		
Ajanta Enterprises	121.37	-
Vascon Developers LLP	52.03	101.84
	173.40	101.84

Notes forming part of the financial statements

	(₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
Enterprise where KMP & Relatives of KMP significant influence		
- Conamore Resorts Pvt Ltd.	12.94	13.62
	12.94	13.62
(c) Interest Expense /commission Paid	151.60	237.54
Subsidiaries		
Interest		
Almet Corporation Limited	2.02	2.21
Commission		
GMP Technical Solutions Private Limited	63.50	63.50
Total	65.52	65.71
Joint Venture		
Ajanta Enterprises	-	28.36
Total	-	28.36
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	3.75	57.30
Hamcon Engineers Pvt Limited	11.90	13.30
Sira Assets LLP	70.43	72.88
Total	86.08	143.47
(d) Purchase of Goods / Work/Rent	1,494.90	3,831.39
Subsidiaries		
Marvel Housing Private Limited.	822.63	617.65
Total	822.63	617.65
KMP		
Ms. Sowmya Aditya Iyer	8.11	11.48
Total	8.11	11.48
Enterprise where KMP & Relatives of KMP significant influence		
Purchase of Property Plant & Equipment		
Flora Facilities Private Limited	-	2,252.80
Rent		
Flora Facilities Private Limited	-	129.73
Lalitha Vasudevan	16.46	23.52
Works		
Stresstech Engineers Private Limited	361.47	564.20
Deep Advisory Services	61.00	57.00
Sira Assets LLP	93.00	-
Vastech Consultants Private Limited	30.60	30.60
Vastech Consultants & Engineers LLP	101.63	144.42
Total	664.16	3,202.26
(e) Receiving of Services	1,582.03	901.13
Subsidiaries		
Key Management Personnel		
Mr R Vasudevan		
b) Post Employment benefits* Dr Santosh Sundararajan	-	184.62
a) Short term benefits **	276.96	271.67
b) Post Employment benefits*	18.03	18.25
c) Share based payments Mr. Somnath Biswas **	602.18	-
a) Short term benefits	72.48	61.28

Notes forming part of the financial statements

	(₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
b) Post Employment benefits*	8.64	5.46
c) Share based payments Mr. Siddharth Vasudevan **	163.07	-
a) Short term benefits	386.40	304.83
b) Post Employment benefits* Ms. Sarita Rameshlal Ahuja	16.37	13.49
a) Short term benefits	12.57	2.19
b) Post Employment benefits* Ms. Vibhuti Darshin Dani	0.49	0.29
a) Short term benefits	-	22.52
b) Post Employment benefits*	-	3.17
Total	1,557.18	887.75
*Post employment benefit represents contribution to provident fund. As Gratuity expenses is based on actuarial valuations, the same cannot be computed for individual employees and hence not included		
** Short term employment benefit represents Salary Net of Tax. Key Management Personnel wise Tax borne by employer bifurcation as below:		
Name of the KMP		
a) Mr. Santosh Sundarajan	379.12	147.96
b) Mr. Somnath Biswas	100.96	26.97
c) Mr. Siddharth Vasudevan	204.20	161.72
During the current & previous financial year short term employment benefits represents Net of Tax salary received by KMP.	684.28	336.66
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	24.85	13.38
Total	24.85	13.38
(f) Share of Profit from AOP/Firm	1,563.29	1,946.86
Joint Ventures		
Phoenix Ventures	-	3.94
Vascon Developers LLP	3.05	-
Ajanta Enterprises	1,560.24	1,942.92
Total	1,563.29	1,946.86
(g) Share of Loss from AOP/Firm	0.57	0.83
Joint Ventures		
Vascon Developers LLP	-	0.83
Phoenix Ventures	0.57	-
Total	0.57	0.83
Flora Facilities Private Limited	-	1.37
	-	1.37
(i) Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit	2,778.11	3,994.95
Subsidiaries		
Marvel Housing Private Limited	1,005.55	1.29
Marathawada Realtors Private Limited	2.61	-
Vascon Value Homes Private Limited	20.65	31.64
Rivershore Developer Private Limited	-	121.37
Almet Corporation Limited	4.06	0.45
Total	1,032.86	154.75

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

	(₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
Joint Ventures		
Mumbai Estate Private Limited	6.00	-
Total	6.00	-
Joint Ventures		
Phoenix Ventures	0.40	2.47
Vascon Developers LLP	342.90	-
Ajanta Enterprises	400.00	-
Total	743.29	2.47
Enterprise where KMP & Relatives of KMP significant influence		
Hamcon Engineers Pvt Ltd	67.74	7.60
Daffodil Projects Pvt Ltd	2.61	0.11
Conamore Resorts Pvt Ltd.	650.00	2,050.55
Sira Assets LLP	-	340.00
Space Centric Marketing & Construction Consultancy Pvt Ltd	0.35	-
Stresstech Engineers Private Limited	-	43.00
Flora Facilities Private Limited	275.26	768.07
Total	995.96	3,209.33
Key Management Personnel		
Mr. R. Vasudevan	-	628.40
Total	-	628.40
(j) Finance availed /Received back(including equity contributions in cash or in kind)	3,872.85	3,557.11
Subsidiary		
Vascon Value Homes Private Limited	31.40	-
Marvel Housing Private Limited	1,000.00	-
Total	1,031.40	-
Joint Ventures		
Vascon Developers LLP	-	127.50
Ajanta Enterprises	1,777.96	1,087.69
Total	1,777.96	1,215.19
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	727.85	463.50
SIRA ASSETS LLP	33.00	-
Hamcon Engineers Pvt Ltd	-	89.30
Daffodil Projects Pvt Ltd	2.64	-
Rose Premises Pvt Ltd	-	1,700.00
One Stop Shop India Pvt Ltd	-	14.12
Conamore Resorts Pvt Ltd.	300.00	75.00
Total	1,063.49	2,341.92
(k) Outstanding corporate / bank guarantees given	5,927.19	5,737.19
Subsidiaries		
GMP Technical Solution Private Limited	5,927.19	5,737.19
Total	5,927.19	5,737.19

Notes forming part of the financial statements

	(₹ in Lakhs)	
	As at 31 March, 2024	As at 31 March, 2023
(l) Outstanding as on		
A) Receivable to Vascon Engineers Limited	10,682.08	12,708.42
Subsidiaries	290.38	292.68
a) Trade Receivable		
GMP Technical Solution Private Limited	108.01	95.38
Total	108.01	95.38
b) Loans & Advances / Project Advances		
Vascon Value Homes Private Limited	-	31.64
Marathawada Realtors Private Limited	124.62	113.46
Marvel Housing Private Limited	57.75	52.21
Total	182.37	197.31
Joint Ventures	1,410.03	5,302.86
a) Trade Receivable		
Phoenix Ventures	591.03	591.11
Total	591.03	591.11
b) Loans & Advances		
Phoenix Ventures	3.20	1.69
Total	3.20	1.69
c) Balance in current accounts		
Phoenix Ventures	377.43	377.35
Vascon Developers LLP	1.00	4,332.72
Ajanta Enterprises	437.38	-
Total	815.81	4,710.07
Associates	2,579.00	2,573.00
a) Loans & Advances (Including deposits and trade advances)		
Mumbai Estate Private Limited	2,579.00	2,573.00
Total	2,579.00	2,573.00
Enterprise where KMP & Relatives of KMP significant influence	6,181.54	4,316.83
a) Trade Receivable		
Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	66.73	518.20
Daffodil Projects Pvt Ltd	424.28	424.28
Mrs. Lalitha Vasudevan	3.35	3.35
Rose Premises Pvt Ltd	2.91	0.65
Kanchi Properties Pvt Ltd	1,836.64	-
Cherry Constructions Private Limited.	670.69	555.09
Total	3,004.61	1,501.57
b) Loans & Advances (Including deposits and trade advances)		
CONAMORE RESORTS PVT LTD.	2,608.59	2,246.89
Daffodil Projects Pvt Ltd	7.86	7.89
Rose Premises Pvt Ltd	19.75	19.75
One Stop Shop India Pvt Ltd	156.23	156.23
Venus Ventures	384.50	384.50
Total	3,176.93	2,815.26
Key Management Personnel	221.13	223.05
a) Trade Receivable		
Mr. R. Vasudevan	3.34	3.34
Ms. Sowmya Aditya Iyer	1.65	1.65
Mr.Santosh Sundararajan	10.14	12.06
Total	15.13	17.05

VASCON ENGINEERS LIMITED

Notes forming part of the financial statements

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
b) Loans & Advances (Including deposits and trade advances)		
Mr. Mukesh Malhotra	206.00	206.00
	206.00	206.00
B) Receivable from Vascon Engineers Limited	2,008.30	2,570.94
Subsidiaries	746.20	1,109.55
a) Trade Payable		
Marvel Housing Private Limited	164.28	159.42
GMP Technical Solution Pvt Ltd	560.62	924.50
Total	724.90	1,083.92
b) Loans & Advances		
Almet Corporation Limited	21.30	25.63
Marathawada Realtors Private Limited	-	-
Total	21.30	25.63
Joint Venture	14.98	127.60
a) Trade Payable		
Ajanta Enterprises	14.98	14.98
Total	14.98	14.98
c) Balance in current accounts		
Ajanta Enterprises	-	112.63
Total	-	112.63
Key Management Personnel	154.38	147.08
a) Trade Payable		
Ms. Sowmya Aditya Iyer	7.29	-
Mr. Mukesh Malhotra	136.76	136.76
	144.06	136.76
b) For Deposit Received		
Mr. R Vasudevan	10.32	10.32
Total	10.32	10.32
Enterprise where KMP & Relatives of KMP significant influence	1,092.75	1,186.70
a) Trade Payable		
Deep Advisory Services	-	47.42
Stresstech Engineers Private Limited	156.18	201.81
Vastech Consultants & Engineers LLP	148.49	124.71
Vastech Consultants Private Limited	70.16	70.11
Mrs. Lalitha Vasudevan	14.82	-
CONAMORE RESORTS PVT LTD.	9.00	9.00
Space Centric Marketing & Construction Consultancy Pvt Ltd	33.64	33.99
Total	432.29	487.04
b) Loans/(Advances)		
Flora Facilities Private Limited	4.66	21.29
Hamcon Engineers Pvt Limited	164.53	221.56
Sira Assets LLP	491.26	456.81
Total	660.46	699.66

Notes:-

- Related party relationships are as identified by the Company on the basis of information available and accepted by the auditors.
- No provision have been made in respect of receivable from related party as at March 31, 2024

Note 34 Key Ratios

Ratios	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variance
(a) Current Ratio	Current Assets	Current Liabilities	2.03	2.12	-4.09	On account of Additional Borrowings leads to decrease in Current Ratio
(b) Debt-Equity Ratio,	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	Equity Capital	0.16	0.15	0.08	increase in borrowings for the new Real Estate projects leads to increase in Debt-Equity ratio.
(c) Debt Service Coverage Ratio,	Net profit after taxes + Exception items + Noncash operating expenses (depreciation) + Finance costs + Other adjustments	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	0.53	0.77	-0.32	On account of Additional Borrowings leads to decrease in Debt Service Coverage Ratio
(d) Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's Equity	6.63	10.19	-34.97	decrease in Profit after tax as compared to last year leads to decrease in the ratio
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	1.31	1.41	-0.07	Decrease in Inventory turnover ratio is mainly due to increase in inventory and applicability of IND AS 115 in real estate segment
(f) Trade Receivables turnover ratio,	Sale of Products	Average Trade Receivables	4.66	6.00	-0.22	Decrease in Trade receivables turnover ratio is mainly due to increase in trade receivables as compared to last year due to applicability of IND AS 115
(g) Trade payables turnover ratio,	Net Purchase during the Year	Average Trade Payables	1.99	2.09	-0.05	Decrease in Trade payable turnover ratio is mainly due to increase in Purchases as compared to last year for acceleration of the ongoing projects
(h) Net capital turnover ratio,	Sale of Products	Working Capital	1.17	1.24	-0.06	Variance is not material
(i) Net profit ratio,	Net Profit after taxes	Sale of Products	8.05	11.29	-28.70	Due to Ind As 115 leads to decrease in sale of Real Estate segment our profit got reduced to that extent hence decrease in ratio

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Ratios	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variance
(j) Return on Capital employed,	Earnings before interest and taxes (Loss before taxes + Finance costs)	"Capital employed (Tangible Net worth + Total Debt)"	7.77	9.99	-22.18	Decrease In Ratio is mainly due to additional borrowings leading to higher Capital employed.
(k) Return on investment.	Income on Investment	Cost of Investment	17.00	0.18	15.03	increased on account of additional income from investments

Notes - Additional Information to the Financial Statements

35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount remaining unpaid to MSME suppliers as on	1,077.74	84.48
(ii) Interest due on unpaid principal amount to MSME suppliers as on	37.39	19.57
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	21.72	7.28
(v) The amount of interest accrued and remaining unpaid as on	41.29	19.57
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	21.72	7.28

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

36 Disclosure under Regulation 34(3) of the SEBI (Listing and Disclosure Requirements) Regulations, 2015

Loans and advances in the nature of loans given to subsidiaries, associates, firms / companies in which directors are interested:

(₹ in Lakhs)

Name of the party	Relationship	Amount outstanding as at March 31, 2024	Maximum balance outstanding during the year
Marathawada Realtors Pvt. Ltd	Subsidiary	124.62	124.62
		(113.46)	(113.46)
Marvel Housing Pvt. Ltd.	Subsidiary	57.75	57.75
		-	-

Note: Figures in bracket relate to the previous year.

- There are no transactions of loans and advances to subsidiaries, associate firms/ companies in which Directors are interested other than as disclosed above.
- There are no Investment by loan in share of parent or subsidiary where Company made loan or advances in the nature of loan.

37 The company enters into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulation'). The pricing of such domestic transactions will need to comply with Arm's length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.

The Company has undertaken necessary steps to comply with the regulations. The management is of the opinion that the domestic transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

38 Segment information has been presented in the Consolidated Financial Statements as permitted by Indian Accounting Standard (Ind AS) 108 on operating segment as notified under the Companies (Indian Accounting Standards) Rules, 2015.

39 Disclosure of particulars of contract revenue

	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023
Contract Revenue Recognized during the year	71,385.67	64,936.83
Contract costs incurred during the year	60,539.52	56,050.33
Recognized Profit	10,846.15	8,886.50
Advances received for contracts in progress	(7,010.15)	(4,130.81)
Retention money for contracts in progress	7,676.01	6,166.60
Gross amount due from customer for contract work (assets)	33,573.00	29,322.64
Gross amount due to customer for contract work (liability)	2,035.33	1,959.31

40 Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013 (the Act), a company meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) Activity. A CSR Committee has been formed by the company to undertake CSR activities on 09/11/2016 pursuant to the requirement of the Act.

- Gross amount required to be spent by the Company during the year - Rs. 55.90 Lakhs
- Amount spent during the year on:

CSR Activities	(₹ in Lakhs)		
	In Cash Rs.	Yet to be paid in cash Rs.	Total Rs.
i) Construction/acquisition of any asset	-	-	-
ii) Purpose other than (i) above	41.00	-	41.00
(i) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year;		Rs. 14.90 Lakhs	
(ii) The total of previous years' shortfall amounts;		No Shortfall in Previous Year	
(iii) The reason for above shortfalls by way of a note;		Shortfall paid in the coming financial year	
(iv) The nature of CSR activities undertaken by the Company.		Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare.	

41 Benami Property

There are no any proceeding initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

- The Company has borrowings from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

43 Wilful Defaulter

The company has not declared Wilful Defaulter by any bank or financial institutions or any other lender.

44 Relationship with Struck off Companies

The company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013.

45 Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

- (a) The company has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) during the year to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or,
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (b) The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) during the year with the understanding (whether recorded in writing or otherwise) that the company shall:

VASCON ENGINEERS LIMITED

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 47** Company had paid the 1st Interim Dividend of Rs.0.25/- (Rupees Twenty Five paise Only) per Equity Share on the entire issued, subscribed and paid up capital of the Company of 217,317,111 Equity Shares having face value of Rs. 10/- each for the Financial Year 2023-24.
- 48 Undisclosed Income**
- The company does not have any transaction that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), during the year.
- 49 Details of crypto currency or virtual currency**
- The group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 50 Other Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013**
- i. Registration of charges or satisfaction with Registrar of Companies
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
 - ii. Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.
- 51** he figures for the corresponding period / year have been regrouped and rearranged wherever necessary to make them comparable.

For and on behalf of the Board of Directors

Siddharth Vasudevan
Managing Director
(DIN-02504124)

Mukesh Malhotra
Director
(DIN-00129504)

Dr Santosh Sundararajan
Whole Time Director & Group Chief
Executive Officer
(DIN-00015229)

Sarita Ahuja
Company Secretary & Compliance Officer

Somnath Biswas
Chief Financial Officer

Date : 21 May, 2024
Place : Pune

INDEPENDENT AUDITOR'S REPORT

To the Members of VASCON ENGINEERS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **VASCON ENGINEERS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit/loss in its associates and its joint-ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, for the year then ended, and notes to Consolidated Financial Statements, including a summary of Material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on financial statements (standalone / consolidated) of subsidiaries including associates and joint-ventures as was audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including an Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of Consolidated State of Affairs (financial position) of the Group including its associates and joint-ventures as at March 31, 2024, the Consolidated Profit (financial performance including other comprehensive income), its Consolidated Cash Flows and the Consolidated Changes in Equity for the year then ended.

Basis for opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group including associates and joint ventures 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 Consolidated Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report;

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	<p>Revenue Recognition: Ind AS 115 prescribes detailed guidance for various elements of revenue recognition and requires detailed contract assessment as per the accounting principles. The revenue accounting standards application involves certain significant judgments regarding the identification of distinct performance obligations, recognition of revenue over the period, recognition of contract acquisition costs, appropriateness of the basis used for measuring the estimation of the total cost of completion of the projects over a wide range of customers and also a wide range of contracts each having different risk profile based on its individual nature of performance and delivery characteristics. Changes in cost estimates could give rise to variances in the amount of revenue recognized and profit/loss recognized. Accordingly, this matter has been identified as KAM.</p>	<p>Principal Audit Procedures: Our audit procedures on revenue recognition from construction contracts consisted mainly of the testing of the design and operating effectiveness of the laid down internal controls and then substantive testing of the transactions. The audit procedures performed include the following:</p> <ul style="list-style-type: none"> • Assessed the Company's process to identify revenue recognition and cost estimation as per the requirement of the revenue accounting standard. • Evaluate the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to the existence and accuracy of revenue recognition on selected transactions. • Selected an appropriate sample of contracts and evaluated them along with the supporting evidence to determine whether various elements of revenue recognition, as well as cost allocations, are assessed with the principles prescribed under Ind AS 115. We performed project analysis and obtained the reasons for our observations in respect of the ongoing as well as completed projects during the year under audit. • Read and assessed the disclosure made in the financial statements for assessing the compliance with the disclosure Ind AS 115 requirements.

Information other than the Consolidated Financial Statements and Auditor's Report thereon (hereinafter referred to as "other information")

The Holding Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the Board's report and management discussion and analysis included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit reports of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group including its associates and joint-ventures in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements / Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group including its Associates and joint-ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group including its associates and joint-ventures are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the audit of the Consolidated Financial Statements

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

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

- A. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. 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 an adequate internal financial controls system in place and the operating effectiveness of such controls
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Consolidated Financial Statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group including its associates and joint-ventures to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, including the disclosures, and whether Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group including its associates and joint-ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, 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.

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

We communicate with those charged with governance of the Holding Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- A. The Statement includes the Ind AS Financial Statements of 4 (four) domestic subsidiaries & 1 (one) foreign step-down subsidiary, whose Ind AS financial statements reflect total assets of Rs. 739 Lakhs as at March 31, 2024; and total revenue of Rs. 194 Lakhs & Rs.853 Lakhs, total net loss after tax of Rs. 56 Lakhs & Rs 47 Lakhs, total comprehensive loss of Rs.56 Lakhs & Rs. 47 lakhs and net cash outflow of Rs.13 Lakhs & Rs. Nil for the quarter and year then ended respectively. The Statement also includes the Group's share of profit after tax as well as total comprehensive income of Rs. -6 Lakhs & Rs. 1560 lakhs for the quarter and year then ended March 31, 2024 respectively, in respect of joint ventures. These Ind AS Financial Statements have been audited/reviewed by their respective independent auditors whose audit/review reports have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- B. The Statement includes the Group's share of profit after tax of Rs. 1 Lakhs & Rs. 2 lakhs and total comprehensive income of Rs. 1 Lakhs & Rs. 2 lakhs for the quarter and year ended March 31, 2024, respectively, in respect of 4 (four) joint ventures. This financial statements/information are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these four joint ventures, are based solely on such unaudited financial information certified by management. In our opinion and according to the information and explanations given to us by the Holding Company's Management, this financial information is not material to the Group.
- C. Two domestic associates are non-operative entities and its financial information as at March 31, 2024 is unaudited. This financial information is provided by the management in whose opinion it is not material to the group.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the other matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of other auditors on financial statements (Standalone / Consolidated) of such companies as was audited by them and as mentioned in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies including associates and joint-ventures which are companies incorporated in India, none of the directors of the subsidiary companies, associates and joint-ventures which are companies incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Group including its associates and joint-ventures which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.

- g) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2024 on the Consolidated Financial position of the Group including its associates and joint ventures (refer note 30 to the Consolidated Financial Statements);
 - ii. the Group including associates and joint-ventures has made provision in the Consolidated Financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group including its associates and joint-ventures, which are companies incorporated in India.
 - iv. (a) The management of the Group, has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management of the Group, has represented, to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. During the year, the Holding Company has declared interim dividend and paid and has complied with Section 123 of the Act until the date of this audit report.
 - vi. Based on our examination which included test checks, and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent Company, its subsidiary companies incorporated in India used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year at, application level & database level, for all relevant transactions recorded in the software. Consequently, we are unable to comment on whether the audit trail feature has been tampered with at any point during the year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2024, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group including associates and joint-ventures, which are companies incorporated in India, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to the director by the Holding Company and its subsidiary companies incorporated in India is not in excess of the limit laid down under Section 197 of the Act, except in the case of a Holding company and one of the subsidiary companies where requisite approvals are taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

SHARP & TANNAN ASSOCIATES

Chartered Accountants

Firm's Registration No.: 109983W

by the hand of

Sd/-

CA Tirtharaj Khot

Partner

Membership No.: (F) 037457

UDIN: 24037457BKGEHF1037

Pune, May 21, 2024

Annexure A to the independent auditor's report on the Consolidated financial statements of Vascon Engineers Limited for the year ended 31st March, 2024

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

In our opinion and according to the information and explanations given to us, the following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entity	CIN	Holding Company /subsidiary / Associate/Joint Venture	Clause number of the CARO report
1.	Vascon Engineers Ltd.	L70100PN1986PLC175750	Holding Company	Clause (iii)
				Clause (vii)
				Clause (ix)
				Clause (xx)
2.	GMP Technical Solutions Private Limited	U74999MH2003PTC142312	Subsidiary Company	Clause (iii)
				Clause (vii)
3.	Almet Corporation Ltd.	U29290MH1960PLC059367	Subsidiary Company	Clause (vii)
				Clause (xvii)
4.	Marvel Housing Pvt. Ltd.	U45200MH2005PTC154682	Subsidiary Company	Clause (vii)(a)
5.	Marathawada Realtors Pvt. Ltd	U24110MH1984PTC034809	Subsidiary Company	Clause (vii)
				Clause (xvii)
6.	Vascon Value Homes Pvt. Ltd.	U45200PN2017PTC171989	Subsidiary Company	Clause (xvii)

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm's Registration No.: 109983W
by the hand of

Sd/-

CA Tirtharaj Khot

Partner

Membership No.: (F) 037457

UDIN: 24037457BKGEHF1037

Pune, May 21, 2024

Annexure B to the independent auditor's report on the Consolidated financial statements of Vascon Engineers Limited for the year ended 31st March, 2024

(Referred to in paragraph (F) under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date)

Report on the Internal Financial Controls over Financial Report under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the Internal Financial Controls Over Financial Reporting of **VASCON ENGINEERS LIMITED** (hereinafter referred as "the Holding Company"), its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint-ventures, which are companies incorporated in India, as of March 31, 2024 in conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors referred to in other matters paragraph below, the Group including its associates and joint-ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Directors Responsibility for Internal Financial Controls

The respective Company's Management and Board of Directors of the Holding company and its subsidiary companies, associates, and joint-ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's including its associates and joint-ventures, which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, associates, and joint-ventures, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's including its associates and joint-ventures which are companies incorporated in India, internal financial controls system over financial reporting.

Other matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to three subsidiaries and a joint venture, which are companies incorporated in India, is solely based on corresponding reports of the auditors of such Companies.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm's Registration No.: 109983W
by the hand of

Sd/-

CA Tirtharaj Khot

Partner
Membership No.: (F) 037457
UDIN: 24037457BKGEHF1037

Pune, May 21, 2024

Consolidated Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
A Assets			
1 Non Current Assets			
(a) Property, Plant and Equipment	3	7,826.75	7,998.43
(b) Capital work-in-progress		0.07	0.04
(c) Goodwill on Consolidation	3A	1,561.25	1,561.25
(d) Investment Property	4	1,373.54	1,443.85
(e) Other Intangible assets	3	78.24	53.66
(f) Right of Use Assets	3	1,759.06	630.73
(g) Financial Assets			
(i) Investments	5	7,930.08	7,925.08
(ii) Loans	6	213.18	210.68
(iii) Others Financial Assets	7	15,618.15	13,115.35
(h) Income Tax Assets (net)		1,681.20	1,487.00
(i) Deferred Tax Assets (net)	17	692.34	620.64
(j) Other Non Current Assets	8	4,547.63	2,527.97
Total Non - Current Assets		43,281.49	37,574.68
2 Current Assets			
(a) Inventories	9	56,088.58	47,254.30
(b) Financial Assets			
(i) Investments	5	404.97	346.59
(ii) Trade receivables considered good - Unsecured	10	26,634.49	21,770.67
(iii) Cash and cash equivalents	11	2,414.04	5,297.08
(iv) Bank balances other than (iii) above	11	5,785.87	5,515.00
(v) Loans receivables considered good - Unsecured	6	9,175.20	8,614.56
(vi) Others Financial Assets	7	34,846.51	34,143.00
(c) Other Current Assets	8	7,168.85	4,009.49
Total Current Assets		142,518.51	126,950.69
Assets Held For Sale	5.1	371.37	388.74
Total Assets (1+2)		186,171.37	164,914.11
B Equity and Liabilities			
1 Equity			
(a) Equity Share Capital	12 & 12.1	22,131.71	21,731.71
(b) Other Equity	12.2	75,972.47	69,445.03
Equity attributable to owners of the Company		98,104.18	91,176.74
Non Controlling Interest	12.3	1,355.69	1,259.03
Total Equity		99,459.87	92,435.77
2 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	7,909.90	6,370.29
(ia) Lease liability	14A	1,274.41	465.59
(ii) Other financial liabilities	14	880.65	888.87
Total Non - Current Liabilities		10,064.96	7,724.75
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	9,558.43	7,107.72
(ia) Lease liability	14A	620.43	291.13
(ii) Trade and other payables			
- Total outstanding dues of micro enterprises and small enterprises	15	2,048.54	662.05
- Total outstanding dues of creditors other than micro enterprises and small enterprises	15	38,264.56	35,496.95
(iii) Other financial liabilities	14	235.59	171.46
(b) Provisions	16	2,932.81	3,346.58
(c) Other Current Liabilities	18	22,986.18	17,677.70
Total Current Liabilities		76,646.54	64,753.59
Total Equity and Liabilities (1+2+3)		186,171.37	164,914.11
Material accounting policies See accompanying statements.	2 & 3 - 54		

In terms of our report attached.

For Sharp & Tannan Associates

 Chartered Accountants
 (Firm Regn. No. 109983W)
 By the hands of

Sd/-

CA Tirtharaj Khot

 Partner
 Membership No: (F) - 037457

For and on behalf of the Board of Directors

Sd/-

Mukesh Malhotra

 Chairman
 (DIN-000129504)

Sd/-

Dr Santosh Sundararajan

 Group Chief Executive Officer & Whole Time Director
 (DIN-00015229)

Sd/-

Sarita Ahuja

Company Secretary & Compliance Officer

Sd/-

Siddharth Vasudevan

 Managing Director
 (DIN-02504124)

Sd/-

Somnath Biswas

Chief Financial Officer

 Place: Pune
 Date: 21 May, 2024

 Place: Pune
 Date: 21 May, 2024

Consolidated Statement of Profit and Loss for the Year Ended March 31, 2024

(₹ in Lakhs)

Particulars		Note No	For the Year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	19	105,285.89	101,938.23
II	Other Income	20	2,258.28	1,104.32
III	Total Income (I+II)		107,544.17	103,042.55
IV	EXPENSES			
	(a) Cost of materials and services consumed	21.a	90,076.67	79,467.44
	(b) Purchases of stock-in-trade		0.48	0.48
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.b	(6,792.60)	(602.08)
	(d) Employee benefit expense	22	7,844.73	6,911.55
	(e) Finance costs	23	1,592.48	1,279.35
	(f) Depreciation and amortization expense	3 & 4	1,440.22	1,191.99
	(g) Other expenses	24	5,632.51	4,465.03
	Total expenses (IV)		99,794.49	92,713.76
V	Profit/ (Loss) before tax (III - IV)		7,749.68	10,328.79
VI	Less: Tax Expense			
	(a) Current Tax	17	993.78	336.79
	(b) Deferred Tax	17	(71.91)	50.93
	(c) Excess/ (short) provision for tax of earlier years	17	34.30	-
			956.17	387.72
VII	Profit/ (Loss) after tax (V - VI)		6,793.51	9,941.07
VIII	Profit after tax for the year attributable to:			
	(a) Owners of the Company		6,689.16	9,749.10
	(b) Non controlling interests		104.35	191.98
IX	Other Comprehensive Income			
	(a) Items that will not be recycled to profit or loss			
	- Remeasurements of the defined benefit liabilities / (asset)		(34.71)	77.09
	- Income tax relating to items that will not be reclassified to profit or loss		17.20	4.94
			(17.51)	82.03
X	Other Comprehensive Income for the year attributable to:			
	(a) Owners of the Company		(9.82)	84.23
	(b) Non controlling interests		(7.69)	(2.20)
XI	Total Comprehensive Income/ (Loss) for the year		6,776.00	10,023.11
XII	Total comprehensive income for the year attributable to:			
	(a) Owners of the Company		6,679.34	9,833.33
	(b) Non controlling interests		96.66	189.78
XIII	Earnings / (Loss) per equity share (of Rs. 10/- each fully paid up) :			
	(a) Basic	25	3.05	4.49
	(b) Diluted	25	3.05	4.49
Material accounting policies See accompanying notes forming part of the financial statements.		2 & 3 - 54		

In terms of our report attached.

For Sharp & Tannan AssociatesChartered Accountants
(Firm Regn. No. 109983W)
By the hands of

Sd/-

CA Tirtharaj KhotPartner
Membership No: (F) - 037457**For and on behalf of the Board of Directors**

Sd/-

Mukesh Malhotra
Chairman
(DIN-000129504)

Sd/-

Dr Santosh SundararajanGroup Chief Executive Officer & Whole Time Director
(DIN-00015229)

Sd/-

Sarita Ahuja

Company Secretary & Compliance Officer

Sd/-

Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-

Somnath Biswas

Chief Financial Officer

Place: Pune
Date: 21 May, 2024Place: Pune
Date: 21 May, 2024

Consolidated Cash Flow Statement for the Year Ended March 31, 2024

(₹ in Lakhs)

PARTICULARS	For the Year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation	7,749.68	10,328.79
Adjustments for :-		
- Depreciation / amortisation expenses	1,440.22	1,191.99
- Finance Cost	1,592.48	1,279.35
- Dividend & (Gain) / loss on investments carried at FVTPL	(5.51)	(7.81)
- Net Expense recognised in respect of equity-settled share-based payments	191.39	196.14
- Interest income	(846.84)	(613.80)
- Provision for doubtful debt and advances	508.18	(152.23)
- Bad debts and other receivables, loans and advances written off	407.30	544.34
- Provision no longer required written back	(930.20)	(347.18)
- (Profit) / Loss on Sale of Property, Plant & Equipment (net)	(76.62)	(10.74)
Operating Profit before working capital changes	10,030.08	12,408.85
Adjustments for (increase) / decrease in operating assets		
Inventories before capitalisation of borrowing cost	(7,386.24)	693.26
Trade receivables	(6,136.00)	(7,779.03)
Amount due from / to Customer	(117.69)	(4,563.76)
Loans (Non Current)	(2.50)	19.74
Others Financial Assets (Non Current)	(3,341.05)	(2,118.48)
Other assets (Non Current)	(2,020.22)	286.82
Loans (Current)	(560.64)	(309.59)
Others Financial Assets (Current)	(403.57)	2,624.05
Other assets (Current)	(3,141.04)	(683.50)
Adjustments for (increase) / decrease in operating liabilities		
Current trade payables	5,085.37	8,595.71
Provisions	(424.42)	54.17
Other Non Current liabilities	800.60	(451.74)
Other current liabilities	5,996.05	2,640.25
Cash generated / (used in) from operations	1,621.27	11,416.75
Income tax (refund) / paid (Net)	(1,229.49)	(1,050.71)
Net cash (used in)/generated by operating activities (A)	2,850.76	10,366.04

(₹ in Lakhs)

PARTICULARS	For the Year ended March 31, 2024	For the year ended March 31, 2023
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE including capital work in progress	(2,027.58)	(4,192.39)
Proceeds on disposal of PPE	944.82	75.89
(Payments) / Proceeds from Investments	0.51	7.81
Loan given to Joint Venture (net)	(181.70)	-
(Investments) / Proceeds from fixed deposits with banks	565.82	850.27
(Investments) / Proceeds from liquid mutual funds	(58.38)	60.09
Net Cash generated / (used) in investing activities (B)	(756.51)	(3,198.33)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceed from issue of Equity shares	599.88	-
Repayment of borrowing	(9,009.47)	(10,523.30)
Proceeds from borrowing	11,649.06	8,307.18
Proceeds from Lease Liabilities	(13.35)	12.96
Dividend Paid	(543.29)	
Interest Income received	846.84	613.80
Finance cost including capitalised to qualifying assets	(3,018.06)	(2,823.39)
Net Cash generated / (used) in financing activities (C)	511.61	(4,412.75)
D. NET CASH INFLOW / (OUTFLOW) (A+B+C)	(3,095.67)	2,754.96
Cash and cash equivalents at the beginning of the year	5,296.79	2,544.65
Cash and Cash equivalents pursuant to change of Subsidiary status to Associate	-	(2.82)
Cash and cash equivalents at the end of the year	2,201.13	5,296.79
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	(3,095.66)	2,754.96
Material accounting policies See accompanying notes forming part of the financial statements.	2 & 3 - 54	

Notes

- Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as prescribed in the Companies (Indian Accounting Standards) Rules, 2015.
- Figures in brackets represent outflows of cash and cash equivalents.

In terms of our report attached.

For Sharp & Tannan Associates

Chartered Accountants
(Firm Regn. No. 109983W)
By the hands of

Sd/-
CA Tirtharaj Khot
Partner
Membership No: (F) - 037457

Place: Pune
Date: 21 May, 2024

For and on behalf of the Board of Directors

Sd/-
Mukesh Malhotra
Chairman
(DIN-000129504)

Sd/-
Dr Santosh Sundararajan
Group Chief Executive Officer & Whole Time Director
(DIN-00015229)

Sd/-
Sarita Ahuja
Company Secretary & Compliance Officer

Place: Pune
Date: 21 May, 2024

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Somnath Biswas
Chief Financial Officer

Statement of changes in equity for the year ended March 31, 2024
a) Change in Equity

Particular	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	21,731.71	21,731.71
Issue of equity shares under employee share option plan	400.00	-
Issue of Preferential equity shares	-	-
Balance at the end of the year	22,131.71	21,731.71

b) Changes in Other Equity

Particulars	Reserves and Surplus						Equity Attributable to the shareholders of the Company	Non Controlling Interests	Total Equity
	Capital Redemption Reserve	Securities premium reserve	Equity- settled employee benefits reserve	General reserve	Foreign Currency Translation Reserve	Retained earnings			
Balance at the beginning of the reporting year - As of April 01, 2023	1,777.00	60,586.51	1,051.84	1,537.50	2.66	4,489.52	69,445.03	1,259.03	70,704.06
Premium on Shares issued during the year	-	805.60	-	-	-	-	805.60	-	805.60
Amount recorded on grants	-	-	191.39	-	-	-	191.39	-	191.39
Transferred to securities premium account on exercise	-	-	(605.60)	-	-	-	(605.60)	-	(605.60)
Final Dividend	-	-	-	-	-	(543.29)	(543.29)	-	(543.29)
Profit for the year	-	-	-	-	-	6,696.85	6,696.85	104.35	6,801.20
Other Comprehensive income for the year	-	-	-	-	-	(17.51)	(17.51)	(7.69)	(25.20)
Balance at the end of the reporting Year - March 31, 2024	1,777.00	61,392.11	637.63	1,537.50	2.66	10,625.57	75,972.47	1,355.69	77,328.16

Particulars	Reserves and Surplus						Equity Attributable to the shareholders of the Company	Non Controlling Interests	Total Equity
	Capital Redemption Reserve	Securities premium reserve	Equity- settled employee benefits reserve	General reserve	Foreign Currency Translation Reserve	Retained earnings			
Balance at the beginning of the reporting year - As of April 01, 2022	1,777.00	60,586.51	855.70	1,537.50	2.66	(5,355.10)	59,404.27	1,276.72	60,680.99
Addition during the year	-	-	-	-	-	-	-	(207.47)	(207.47)
Transitional Adjustment on account of application of Ind AS 116	-	-	-	-	-	11.26	11.26	-	11.26
Amount recorded on grants	-	-	196.14	-	-	-	196.14	-	196.14
Profit for the year	-	-	-	-	-	9,751.33	9,751.33	191.98	9,943.31
Other Comprehensive income for the year	-	-	-	-	-	82.03	82.03	(2.20)	79.83
Balance at the end of the reporting Year - March 31, 2023	1,777.00	60,586.51	1,051.84	1,537.50	2.66	4,489.52	69,445.03	1,259.03	70,704.06

Material accounting policies See accompanying notes forming part of the financial statements.

2 & 3 - 54

In terms of our report attached.

For Sharp & Tannan Associates

 Chartered Accountants
(Firm Regn. No. 109983W)
By the hands of

 Sd/-
CA Tirtharaj Khot
Partner
Membership No: (F) - 037457

For and on behalf of the Board of Directors

 Sd/-
Mukesh Malhotra
Chairman
(DIN-000129504)

 Sd/-
Dr Santosh Sundararajan
Group Chief Executive Officer & Whole Time Director
(DIN-00015229)

 Sd/-
Sarita Ahuja
Company Secretary & Compliance Officer

 Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

 Sd/-
Somnath Biswas
Chief Financial Officer

 Place: Pune
Date: 21 May, 2024

 Place: Pune
Date: 21 May, 2024

Notes forming part of Consolidated Financial Statements for the year ended 31st March 2024

1 Corporate Information

Vascon Engineers Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") are engaged in the business of Engineering, Procurement and Construction services (EPC), Real Estate Development and Manufacturing of Clean Room Partitions. The shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is ' Vascon Weikfield chambers , Behind Novotel Hotel , Opposite Hyatt Hotel, Pune Nagar Road, Pune - 411014'.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 21, 2024.

2 Material Accounting Policies

2.01 Statement of Compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.02 Basis of preparation and presentation

The financial statements of the Group have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments and equity settled employee stock options which have been measured at fair value. Historical cost is generally based on the fair value of consideration given in exchange of goods and services. The accounting policies are consistently applied by the Group Company during the year and are consistent with those used in previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year figures reported in this statement.

2.03 Basis of consolidation

The Group consolidates all entities which are controlled by it.

The Group establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over the entity. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except otherwise stated. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The following companies are considered in the Consolidated Financial Statements:

Name of the Company	Relationship	Country of Incorporation or Residence	Voting Power %	
			As at March 31, 2023	As at March 31, 2024
Marvel Housing Private Limited	Subsidiary	India	100%	100%
Vascon Value Homes Private Limited	Subsidiary	India	100%	100%
Vascon Developers LLP	Joint Venture	India	35%	35%
GMP Technical Solutions Private Limited	Subsidiary	India	85%	85%
GMP Technical Solutions Middle East (FZE) (wholly owned subsidiary of GMP Technical Solutions Private Limited)	Step down Subsidiary	UAE (Sharjah)	85%	85%

Name of the Company	Relationship	Country of Incorporation or Residence	Voting Power %	
			As at March 31, 2023	As at March 31, 2024
Creazoine Metal Products Private Limited	Step down Subsidiary	India	85%	85%
Almet Corporation Limited	Subsidiary	India	100%	100%
Marathawada Realtors Private Limited	Subsidiary	India	100%	100%
Vascon Saga Construction LLP	Joint Venture	India	76%	76%
Phoenix Ventures	Joint Venture	India	50%	50%
Ajanta Enterprises	Joint Venture	India	50%	50%
Mumbai Estate Private Limited	Associates	India	44.44%	44.44%
DCS Conventions and Hospitality Private Limited	Associates	India	26%	26%

2.04 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognized as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognized as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity.

2.05 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note 2.04 above) less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

2.06 Use of estimates

The preparation of consolidated financial statements, in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, useful lives of Property, plant and equipment and valuation of deferred tax assets and provisions and contingent liabilities.

Impairment of Goodwill

The Group estimate the value in use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows were developed using internal forecasts. The discount rate used for the CGU's represented the weighted- average cost of capital based on the historical market returns of comparable companies.

Useful lives of property, plant and equipment and Investment Property

The Group reviews the useful life of Property, plant and equipment and Investment Properties at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2.13

Determination of lease term & discount rate

Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be

exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Group has obtained independent fair valuation for financial instruments wherever necessary to determine the appropriate valuation techniques and inputs for fair value measurements. In some cases the fair value of financial instruments is done internally by the management of the Group using market-observable inputs.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The qualified external valuers establish the appropriate valuation techniques and inputs to the model. The external valuers report the management of the Group findings every reporting period to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is disclosed in note 26.

2.07 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

When (or as) a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

1. Construction Contracts

Revenue from fixed price construction contracts is recognised on the Percentage Of Completion Method (POCM). The stage of completion is determined by survey of work performed / completion of physical proportion of the contract work determined by technical estimate of work done / actual cost incurred in relation to total estimated contract cost, as the case may be. The estimate of total contract cost has been made at the time of commencement of contract work and reviewed and revised, by the technical experts, from time to time during period in which the contract work is executed. Future expected loss, if any, is recognised immediately as expenditure. In respect of unapproved revenue recognised, an adequate provision is made for possible reductions, if any. Contract revenue earned in excess of billing has been reflected as unbilled revenue under the head "Other Current Financial Assets" " and billing in excess of contract revenue has been reflected as Unearned Revenue under the head "Other Current Liabilities" in the Balance Sheet.

Escalation claims raised by the Group are recognised when negotiations have reached an advanced stage such that customers will accept the claim and amount that is probable will be accepted by the customer can be measured reliably.

2. Real estate development

Revenue from real estate projects is recognised on 'Completed contract method' of accounting as per IND AS 115, When

- The seller has transferred to the buyer all significant risk and rewards of ownership and seller retains no effective control of the real estate to a degree usually associated with ownership.
- The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction.
- No significant uncertainty exists regarding the amount of consideration that will be derived from real estate sales; and
- It is not unreasonable to expect ultimate collection of revenue from buyers.

3. Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude Goods and Service tax.

4. Share of Profit/Loss from Partnership firm/ Association of Person is recognised as income during the relevant period on the basis of accounts made-up audited or unaudited as the case may be and allocation made by the firm/AOP in accordance with the Deed of Partnership/AOP Agreement.
5. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
6. Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).
7. Rental Income - Income from letting-out of property is accounted on accrual basis - as per the terms of agreement and when the right to receive the rent is established.
8. Income from services rendered is recognised as revenue when the right to receive the same is established.
9. Profit on sale of investment is recorded upon transfer of title by the Group. It is determined as the difference between the sale price and the then carrying amount of the investment.

2.08 Cost of construction / Development

Cost of construction/Development (Including cost of land) incurred is charged to statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not received Occupancy/Completion certificate is carried over as construction work in progress. Costs incurred for projects which have received Occupancy/ Completion certificate is carried over as completed Finished Properties

2.09 Leases

The Group Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset

Company as a Lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.10 Foreign Currencies

The functional currency of the Group is the Indian Rupee whereas the functional currency of foreign subsidiaries is the AED.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date.

Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. Statement of profit or loss have been translated using average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity.

2.11 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Advances/deposits given to the vendors under the contractual arrangement for acquisition/construction of qualifying assets is considered as cost for the purpose of capitalization of borrowing cost.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

2.12 Government Grants and Export Incentive

(i) Government grants in respect to manufacturing units located in developing regions

The Group is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Group accounts for its entitlements on accrual basis on approval of the initial claim by the relevant authorities.

(ii) Government grants in respect of additional Capital Expenditure

Government grants whose primary condition is that the entity should purchase, construct or otherwise acquire capital assets is accounted for as deferred income. The grant is recognized as income over the life of a depreciable asset by accounting deferred income in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

(iii) Export Benefits

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.13 Employee benefits

a) Short-term Employee Benefits -

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by the employees is recognised during the year when the employees render the service.

b) Post Employment Benefits -

1. Defined Contribution Plan:

Payments to defined contribution retirement benefit schemes viz. Group's Provident Fund Scheme and Superannuation Fund are recognised as an expense when the employees have rendered the service entitling them to the contribution.

2. Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement.

Gratuity:

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount

equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation. The Group has taken a Group Gratuity cum Life Assurance Scheme with LIC of India for future payment of gratuity to the eligible employees.

c) Other Long-term Employee Benefits -

Compensated Absences:

The Group provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Such benefits are provided based on the number of days of an utilised compensated absence on the basis of an independent actuarial valuation.

Share-based Payments:

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost is recognized, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognized in employee benefits expense.

2.14 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The current income tax expense for overseas subsidiaries has been computed based on the tax laws applicable to each subsidiary in the respective jurisdiction in which it operates.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred Incomes taxes:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends and has ability to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

The Group recognises interest levied and penalties related to income tax assessments in Finance cost.

2.15 Property Plant and Equipment (PPE)

Property plant & equipment are stated at cost of acquisition or construction where cost includes amount added/deducted on revaluation less accumulated depreciation / amortization and impairment loss, if any. All costs relating to the acquisition and installation of PPE are capitalised and include borrowing costs relating to funds attributable to construction or acquisition of qualifying assets, up to the date the asset / plant is ready for intended use. The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the

item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognized. The cost for day-to-day servicing of property, plant and equipment are recognized in Statement of Profit and Loss as and when incurred.

Machinery spares which can be used only in connection with an item of PPE and use of which, as per technical assessment, is expected to be irregular, are capitalised and depreciated as part of PPE.

Depreciation on tangible property plant & equipment and Investment Properties has been provided on written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of plant and machinery, in whose case the life of the assets has been assessed based on the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The Group has based on technical advice considered the useful life of the plant and machinery to be 15 years which is different from the useful life specified in Schedule II to the Companies Act, 2013.

PPE individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition. Depreciation on assets acquired/purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition / till the date of sale/discard.

The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

If significant events or market developments indicate an impairment in the value of the tangible asset, management reviews the recoverability of the carrying amount of the asset by testing for impairment. The carrying amount of the asset is compared with the recoverable amount, which is defined as the higher of the assets fair value less costs to sell and its value in use. To determine the recoverable amount on the basis of value in use, estimated future cash flows are discounted at a rate which reflects the risk specific to the asset. If the net carrying amount exceeds the recoverable amount, an impairment loss is recognised. When estimating future cash flows, current and expected future inflows, technological, economic and general developments are taken into account. If an impairment test is carried out on tangible assets at the level of a cash-generating unit, an impairment loss is recognised, taking into account the fair value of the assets. If the reason for an impairment loss recognised in prior years no longer exists, the carrying amount of the tangible asset is increased to a maximum figure of the carrying amount that would have been determined had no impairment loss been recognised.

2.16 Investment Properties

The Group has elected to continue with the carrying value for all of its investment property as recognized in its Initial GAAP financial statements as deemed cost at the transition date. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are states at cost less accumulated depreciation and accumulated impairment loss, if any.

2.17 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.18 Impairment

(i) Financial assets (other than at fair values)

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted – effective interest rate for purchased, or originated credit impaired financial assets). The Group estimates cash flows by considering all contractual term of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable

information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(ii) Non-financial assets

(a) Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

(b) Goodwill

CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication for impairment. If the recoverable amount of a CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

2.19 Inventories

a) Stock of Materials, etc.

Stock of materials, etc. has been valued at lower of cost or net realisable value. The cost is determined on Weighted Average method.

b) Development Work

Stock of Units in completed projects and work in progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, materials, contract work, direct expenses, provisions and apportioned borrowing cost.

c) Stock of Trading Goods

Stock of trading goods has been stated at cost or net realisable whichever is lower. The cost is determined on Weighted Average Method.

2.19 Financial Instruments

Financial assets and liabilities are recognised when the Group Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability, except for trade receivables which are initially measured at transaction price.

Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments recognized by the Group are recognized at the proceeds received net off direct issue cost.

Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when a Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

Derecognition of Financial Assets and Liabilities

For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in Profit or Loss and changes in fair value (other than on account of above income or expense) are recognised in Other Comprehensive Income and accumulated in Other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in Other equity is reclassified to Profit and Loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to Profit and Loss on disposal of investments.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.20 Earning per share (EPS)

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.21 Critical Accounting Judgments and key sources of estimation uncertainty

The preparation of consolidated financial statements and related notes in accordance with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date, and revenues and expenses.

Actual results could differ from those estimates due to those uncertainties on which assumptions are based. Estimates and assumptions are reviewed annually in order to verify they still reflect the best available knowledge of the Group's operations and of other factors deriving from actual circumstances. Changes, if any, are immediately accounted for in the income statement.

The present economic context, whose effects are spread into some businesses in which the Group operates, determined the need to make assumptions related to future development with a high degree of uncertainty. For this reason, it is not possible to exclude that, in the next or in subsequent financial years, actual results may differ from estimated results. These differences, at present unforeseeable and unpredictable, may require adjustments to book values. Estimates are used in many areas, including accounting for non-current assets, deferred tax assets, bad debt provisions on accounts receivable, inventory obsolescence, employee benefits, contingent liabilities and provisions for risks and contingencies.

2.22 Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and in assessing performance.

'The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.23 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated. The group considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.24 Current / Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

Current liabilities include the current portion of long term financial liabilities.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Group has identified 12 months as its operating cycle.

2.25 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.26 Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- In the principle market for the asset or liability
- In the absence of principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. However trade receivables do not contain a significant financing component and are measured at transaction price.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (Unadjusted) Market prices in active markets for incidental assets or liabilities
- Level 2 –Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers that have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Determination of Fair Value**1) Financial Assets - Debt Instruments at amortized cost**

After initial measurement the financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR.

2) Financial Assets - Debt Instruments at Fair Value through Other Comprehensive Income (FVTOCI)

Measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L.

3) Debt instruments, derivatives and equity instruments at Fair Value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

4) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement**Fair value through Profit & Loss**

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

5) Embedded Derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. If the hybrid contract contains a host that is a financial asset within the scope of IND AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in IND AS 109 to the entire hybrid contract. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss.

2.27 Dividend

Dividend on share is recorded as liability on the date of approval by the shareholders.

2.28 Investments

Long Term Investments are carried at cost. Provision for diminution is made to recognize the decline, other than temporary in the value of these investments. Current investments are carried at lower of the cost and fair value.

2.29 Associates and joint ventures

Associates and joint ventures are accounted for under the equity method at cost at the date of acquisition. In subsequent periods, the carrying amount is adjusted up or down to reflect the Group's share of the comprehensive income of the investee. Any distributions received from the investee and other changes in the investees equity reduce or increase the carrying amount of the investment. If the losses of an associate or joint venture attributable to the Group equal or exceed the value of the interest held in this associate or joint venture, no further losses are recognised unless the Group incurs an obligation or makes payments on behalf of the associate or joint venture. If there are any indications of impairment in the investments in associates or joint ventures, the carrying amount of the relevant investment is subject to an impairment test. If the reason for an impairment loss recognised in prior years no longer exists, the carrying amount of the investment is increased to a maximum figure of the share of net assets in the associate or joint venture.

2.30 Non-current assets held for sale and discontinued operations

Non-current assets are classified separately in the balance sheet as held for sale if they are available for sale in their present condition and the sale is highly probable. Assets that are classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell. Liabilities classified as directly related to non-current assets held for sale are disclosed separately as held for sale in the liabilities section of the balance sheet. For discontinued operations, additional disclosures are required in the Notes, as long as the requirements for classification as discontinued operations are met.

2.31 Recent accounting pronouncements

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

VASCON ENGINEERS LIMITED

Notes forming part of Consolidated Financial Statements

Note No. 3 - Property Plant and Equipments and Intangible assets

(₹ in Lakhs)

PARTICULARS	I. Tangible assets								II. Intangible assets	III. Right of Use Assets		
	LEASEHOLD IMPROVEMENTS	LAND	BUILDING & PREMISES	PLANT & MACHINERY	FURNITURE & FIXTURES	MOTOR VEHICLE	OFFICE EQUIPMENT'S	Total	SOFTWARES	OFFICE PREMISES	VEHICLE	Total
Gross Carrying Value												
As at April 1, 2023	338.88	440.02	5,104.13	14,573.09	755.36	409.00	772.41	22,392.89	734.54	2,219.13	125.69	2,344.82
Additions	-	-	130.78	1,714.04	74.65	88.74	36.84	2,045.05	47.24	1,472.21	14.04	1,486.25
Disposals	-	-	-	1,848.64	-	12.57	0.36	1,861.57	-	18.12	-	18.12
As at Mar 31, 2024	338.88	440.02	5,234.91	14,438.49	830.01	485.17	808.89	22,576.37	781.78	3,673.22	139.73	3,812.95
Accumulated depreciation												
As at April 1, 2023	141.40	-	2,195.84	10,397.68	654.22	274.15	731.18	14,394.47	680.87	1,604.90	109.19	1,714.09
Additions	13.43	-	172.99	684.04	29.50	56.33	26.85	983.14	22.67	328.16	19.71	347.87
Disposals	-	-	-	615.95	-	11.83	0.21	627.99	-	8.07	-	8.07
As at Mar 30, 2024	154.83	-	2,368.83	10,465.77	683.72	318.65	757.82	14,749.62	703.54	1,924.99	128.90	2,053.89
Net carrying value as at Mar 31, 2024	184.05	440.02	2,866.08	3,972.72	146.29	166.52	51.07	7,826.75	78.24	1,748.23	10.83	1,759.06
Gross Carrying Value												
As at April 1, 2022	338.88	440.02	3,298.24	13,216.53	715.99	409.67	745.04	19,164.37	696.60	2,130.19	111.65	2,241.84
Additions	-	-	2,252.80	1,553.45	52.70	25.54	32.08	3,916.57	37.94	188.82	14.04	202.86
Disposals	-	-	446.91	196.89	13.33	26.21	4.71	688.05	-	99.88	-	99.88
As at Mar 31, 2023	338.88	440.02	5,104.13	14,573.09	755.36	409.00	772.41	22,392.89	734.54	2,219.13	125.69	2,344.82
Accumulated depreciation												
As at April 1, 2022	126.99	-	2,190.13	9,929.98	647.55	241.35	712.29	13,848.29	666.95	1,423.63	89.48	1,513.11
Additions	14.37	-	169.60	610.42	19.34	58.49	23.22	895.44	13.92	189.20	19.71	208.91
Disposals	(0.04)	-	163.89	142.72	12.67	25.69	4.33	349.26	-	7.93	-	7.93
As at Mar 31, 2023	141.40	-	2,195.84	10,397.68	654.22	274.15	731.18	14,394.47	680.87	1,604.90	109.19	1,714.09
Net carrying value as at Mar 31, 2023	197.48	440.02	2,908.29	4,175.41	101.14	134.85	41.23	7,998.42	53.67	614.23	16.50	630.73

Notes : Land & Building , Plant and equipments hypoticated with Banks (Refer Note No.13.1)

Note No. 3A - Goodwill

(₹ in Actual)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	1,561.25	1,561.25
Addition during the year	-	-
Deletion during the year	-	-
Balance at the end	1,561.25	1,561.25

Notes forming part of Consolidated Financial Statements

Note No. 4 - Investment Property

Description of Assets	(₹ in Lakhs)	
	Buildings	
Gross carrying value *		
As at April 1, 2023		2,257.79
Additions		-
Disposals		-
As at Mar 31, 2024 (A)		2,257.79
Accumulated depreciation		
As at April 1, 2023		813.94
Charge for the year		70.31
Reversals/ Disposals during the year		-
As at Mar 31, 2024 (B)		884.25
Net carrying value as at Mar 31, 2024 (A) - (B)		1,373.54
Gross carrying value *		
As at April 1, 2022		2,257.79
Additions		-
Disposals		-
As at March 31, 2023 (A)		2,257.79
Accumulated depreciation		
As at April 1, 2022		740.22
Charge for the year		73.72
Reversals/ Disposals during the year		-
As at March 31, 2023 (B)		813.94
Net carrying value as at March 31, 2023 (A) - (B)		1,443.85

The Company's investment properties consist of commercial properties in India. Management determined that the investment properties consist of only one class of asset i.e. office spaces based on the nature, characteristics and risks of the property.

* Cost of investment property includes amount paid for shares in Co- Operative Societies/ Companies.

Fair valuation Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Investment Property	2,868.53	2,868.53

The best evidence of fair value is current prices in an active market for similar properties. The market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer.

Note No. 5 : Investment

A. Non Current Investment

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A. INVESTMENTS CARRIED AT COST		
I. Unquoted Investments (all fully paid)		
DCS Conventions and Hospitality Private Limited	0.05	0.05
520 (March 31, 2023: 520) Equity shares of ₹ 10/- Each fully paid		
Vascon Engineers Ltd Wll (Qatar)	0.01	0.01
Phoenix Venture	200.00	200.00
Ajanta Enterprises	4,272.94	4,272.94
Vascon Developers LLP	700.00	700.00
VASCON Saga Construction LLP	1.52	1.52
INVESTMENTS CARRIED AT COST [A]	5,174.52	5,174.52

Notes forming part of Consolidated Financial Statements

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
B. INVESTMENTS CARRIED AT AMORTISED COST		
Investment in Government or trust securities		
7 Years National Savings Certificate	0.20	0.20
	0.20	0.20
INVESTMENTS CARRIED AT AMORTISED COST [B]	0.20	0.20
C. <u>Designated as Fair Value Through Profit and Loss</u>		
Quoted investments		
Investments in Equity Instruments - Union Bank of India (formerly Corporation Bank) 330 (March 31, 2023: 330) Equity shares of ₹ 10/- Each fully paid	0.11	0.11
Investment in Mutual Funds	5.00	-
Total Aggregate Quoted Investments	5.11	0.11
Unquoted Investments(all fully paid)		
<u>Investments in Equity Instruments of structured entities</u>		
The Saraswat Co-Op Bank Limited 2,500 (March 31, 2023: 2,500) Equity Shares Of Rs.10/- Each Fully Paid	0.25	0.25
	0.25	0.25
<u>Investments in debentures</u>		
Investments in debentures of Ascent Hotels Private Limited Optionally Convertible Redeemable Debenture 6,726,396 (March 31, 2023: 6,726,396) of face Value Rs.10/- each	2,750.00	2,750.00
	2,750.00	2,750.00
INVESTMENTS CARRIED AT FVTPL [C]	2,755.36	2,750.36
TOTAL INVESTMENTS [A] + [B] + [C]	7,930.08	7,925.08

Details of quoted / unquoted investments:

Particular	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Quoted Investments and Market Value thereof	0.25	0.25
Aggregate amount of Unquoted Investments	7,929.83	7,924.83
Aggregate amount of Provision for expected credit loss on investments	-	-

Note- Refer Note 36 for Summarised information for those joint ventures which are material to the Group

B. Current Investment

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Designated as Fair Value Through Profit and Loss		
I. Unquoted Investments (all fully paid)		
<u>Investments in Equity Instruments of structured entities</u>		
Sita Lakshmi Mills Limited 806,000 (March 31, 2022: 806,000) Equity Shares of Rs 50/- Each Fully Paid	234.00	234.00
Total Unquoted Investments	234.00	234.00
Quoted Investments		
Investment in Mutual Funds HSBC Cash Fund - Growth Direct Plan Units 2225.911 (March 31, 2023: 5021.442) , NAV ₹ 2405.9756 (March 31, 2023: ₹ 2242.1310) each	170.97	112.59
Tata Liquid Fund Regular Plan - Growth Units 3114.146 , NAV ₹ 3770.3899 each.		
Total Quoted Investments	170.97	112.59
TOTAL CURRENT INVESTMENTS	404.97	346.59

Notes forming part of Consolidated Financial Statements

Details of quoted / unquoted investments:

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Quoted Investments and Market Value thereof	170.97	112.59
Aggregate amount of Unquoted Investments	234.00	234.00
Aggregate amount of Provision for expected credit loss on investments	-	-

Note- Refer Note 36 for Summarised information for those joint ventures which are material to the Group

Note No. 5.1 - Assets Classified as Held for Sale

Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Assets Held for Sale		
- Property Plant & Equipment	268.78	283.02
- Right to Use Assets	89.96	91.94
- Cash & Bank Balance	1.18	2.29
- Non Current Financial Assets	0.42	0.41
- Current Financial Assets	0.03	0.08
- Other Current Assets	11.00	11.00
<i>- In the Previous year, the Company has classified investment made in two subsidiaries as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiaries</i>		
TOTAL	371.37	388.74

Note No. 6 : Loans

A. Non Current Loans

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Other Loans		
- Unsecured, considered good	213.18	210.68
Total	213.18	210.68

B. Current Loans

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Loans and Advances to Employees		
- Unsecured, considered good	229.18	178.95
b) Loans to related parties (Refer Note 33)		
- Unsecured, considered good	5,378.36	4,867.45
c) Other Loans		
- Unsecured, considered good	3,567.66	3,568.16
TOTAL	9,175.20	8,614.56

Notes forming part of Consolidated Financial Statements
Note No. 7 : Other Financial Assets
A. Non - Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Financial assets at amortised cost		
a) Security Deposits		
- Unsecured		
Considered good	1,172.40	1,079.61
Considered doubtful	25.00	25.00
Less: Allowance for Credit Losses	(25.00)	(25.00)
	1,172.40	1,079.61
b) Bank deposits with more than 12 months maturity	645.35	1,482.03
c) Project Advances	13,800.40	10,553.71
TOTAL	15,618.15	13,115.35

B. Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Financial assets at amortised cost		
a) Security Deposits - Unsecured	553.01	511.43
b) Interest accrued on deposits	135.02	118.86
c) Project Advances	3,457.64	2,929.56
d) Other Recoverable (incl JV Partner share)	636.78	636.78
e) Amounts due from customers under construction contracts		
- Gross amount due from customer	36,113.69	32,864.03
- Less : Related Advance Payments received	(6,049.63)	(2,917.66)
	30,064.06	29,946.37
TOTAL	34,846.51	34,143.00

Note No. 8 : Other Non Current and Current Assets
A. Non current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Balances with government authorities (other than income taxes)	4,547.63	2,527.97
TOTAL	4,547.63	2,527.97

B. Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Advances to suppliers	5,186.78	3,002.03
b) Other Receivable	1,016.65	419.02
c) Prepaid Expenses	919.48	544.95
d) Travel Advance	45.94	43.49
TOTAL	7,168.85	4,009.49

Notes forming part of Consolidated Financial Statements

Note No. 9 : Inventories

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Building materials / Tools	7,890.49	5,848.82
b) Projects under Development	44,066.65	37,999.57
c) W.I.P/ Finished Goods	2,040.99	1,315.46
d) Completed Projects	2,090.45	2,090.45
Total Inventories	56,088.58	47,254.30

Note No. 10 : Trade Receivables

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Unsecured, considered good	18,444.25	15,171.85
(b) Credit Impaired	4,046.71	3,965.09
Less: Allowance for Credit Losses	(4,046.71)	(3,965.09)
	18,444.25	15,171.85
Retention (Accrued but not due)		
(a) Unsecured, considered good	9,767.66	7,855.03
	9,767.66	7,855.03
(Less) : Related Unearned Receivables	(1,577.42)	(1,256.21)
Total	26,634.49	21,770.67

Notes:

- The Group records receivables on account of goods sold or services rendered in the normal course of business and classify the same as "trade receivable".
- The normal credit period allowed by the Group ranges from 30 to 60 days.
- Trade receivables includes receivables from related parties and amount due from directors or other officers of the Group either severally or jointly with any other person or any trade or other receivables due from firm or private companies in which any director is a partner, a director or member (Refer Note 33).
- The concentration of credit risk is limited due to the fact that customer base is large and unrelated.
- The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit losses experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as per the provision matrix.

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
EPC:		
Less than 1 year	6,749.31	6,933.74
1-2 year	1,282.41	3,263.72
2-3 year	2,721.56	397.39
More than 3 year	5,677.29	3,680.64
Less :- Expected Credit Loss *	(2,919.73)	(2,922.12)
Total	13,510.84	11,353.37
Development Sales Receivables	3,101.73	1,730.35
Receivables from Related Parties	809.63	1,282.48
Clean Room & BMS (GMP) Sales Receivables	10,339.27	8,447.44
Less :- Expected Credit Loss *	(1,126.98)	(1,042.97)
Total	9,212.29	7,404.47
TOTAL	26,634.49	21,770.67

* The Group performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis of lifetime expected losses and where receivables are due for more than six months.

Notes forming part of Consolidated Financial Statements

Movement in the expected credit loss allowance is as follows:

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period / year	3,965.09	4,138.46
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	93.79	338.73
Utilization / Reversals	(12.17)	(512.10)
Balance at end of the year	4,046.71	3,965.09

Note No. 11 : Cash and Bank Balances

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A) Current Cash and bank balances		
a) Unrestricted Balances with banks#	1,545.01	3,115.54
b) Cash on hand	255.79	171.85
c) Balances with banks in deposit accounts with original maturity of less than 3 months	613.24	2,009.69
Cash and cash equivalent as per balance sheet	2,414.04	5,297.08
Bank Overdraft	212.90	0.30
Total Cash and cash equivalent as per statement of cash flows	2,201.14	5,296.78
B) Other bank balances		
a) Balances with banks in deposit accounts with original maturity more than 3 months	678.29	809.34
b) In earmarked accounts		
- Balances held as margin money or security against borrowing, guarantee and other commitments*	5,107.58	4,705.66
Total Other Bank Balances	5,785.87	5,515.00

* Represents margin money against various guarantees and letters of credit issued by bank on behalf of the Company. These deposits are not available for use by the Company as the same is in the nature of restricted cash.

Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.

Note No. 12 - Equity Share Capital

Equity share capital	As at March 31, 2024		As at March 31, 2023	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
Authorised:				
Equity shares of Rs 10 each with voting rights	264,130,000	26,413.00	264,130,000	26,413.00
Preference Share of Rs. 10 each without voting rights	5,000,000	500.00	5,000,000	500.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs 10 each with voting rights	221,317,111	22,131.71	217,317,111	21,731.71

The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

Note No. 12.1 - Equity Share Capital (Contd.)
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	(₹ in Lakhs)	
	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2022	217,317,111	21,731.71
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	-	-
Issue of Preferential equity shares	-	-
Balance at March 31, 2023	217,317,111	21,731.71
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	4,000,000	400.00
Balance at March 31, 2024	221,317,111	22,131.71

Notes forming part of Consolidated Financial Statements

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vasudevan Family Trust	32,411,735	14.64	32,411,735	14.91
R. Vasudevan	19,988,624	9.03	19,988,624	9.20
Lalitha Vasudevan			2,227,171	1.02
Crest Ventures Limited			11,135,857	5.12

(iii) Details of Shareholdings by Promoter / Promoter Group

Promoter / Promoter Group Name	31st March, 2024		31st March, 2023		% Change during the Year
	Numbers of Shares	% of Holding	Numbers of Shares	% of Holding	
Promoter					
Vasudevan Ramamoorthy (in the capacity of Trustee of Vasudevan Family Trust)	32,411,735	14.64	32,411,735	14.91	0.00
Vasudevan Ramamoorthy	19,988,624	9.03	19,988,624	9.20	0.00
Lalitha Vasudevan	2,227,171	1.01	2,227,171	1.02	0.00
Siddharth Vasudevan Moorthy	4,164,953	1.88	4,164,953	1.92	0.00
Sowmya Aditya Iyer	700,294	0.32	700,294	0.32	0.00
Ramya Siddharth Moorthy	890,868	0.40	890,868	0.41	0.00
Promoter Group					
Vatsalya Enterprises Private Limited	9,599,275	4.34	9,599,275	4.42	0.00
Total	69,982,920		69,982,920		

The above change in % Holding is due to increase in Equity share capital

(iv) As at 31 Mar, 2024, 1,60,00,000 shares (As at 31 Mar, 2023, 4,00,00,000 shares) were reserved for issuance as follows:

Particulars	No. of shares					
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Outstanding employee stock options granted / available for grant	16,000,000	4,000,000	4,000,000	8,000,000	12,000,000	12,000,000

Note No. 12.2 : Other Equity

Other Equity

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a) Capital Redemption Reserve		
Opening Balance	1,777.00	1,777.00
	1,777.00	1,777.00
b) Securities Premium Reserve		
Opening Balance	60,586.51	60,586.51
Premium on Shares Issued during the year	805.60	-
Transferred on account on exercise of share based payment	-	-
	61,392.11	60,586.51
c) Equity-settled employee benefits reserve		
Opening Balance	1,051.84	855.70
Amount recorded on grants during the year	191.39	196.14
Transferred to securities premium account on exercise	(605.60)	-
	637.63	1,051.84

Notes forming part of Consolidated Financial Statements

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
d) General Reserve		
Opening Balance	1,537.50	1,537.50
	1,537.50	1,537.50
e) Foreign Currency Translation Reserve		
Opening Balance	2.66	2.66
	2.66	2.66
f) Retained Earnings		
Opening Balance	4,489.52	(5,355.10)
Less: Subsidiary added / deletion during the year	-	11.26
Less: Dividend Paid / Proposed	(543.29)	-
Profit for the year	6,696.85	9,751.33
Other Comprehensive income	(17.51)	82.03
	10,625.57	4,489.52
	75,972.47	69,445.03

Description of Reserves

Retained Earnings: Retained earnings represent the amount of accumulated earnings of the Company

Securities premium reserve: The amount received in excess of the par value of equity shares has been classified as securities premium.

General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits was required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Equity-settled employee benefits reserve: The Share options outstanding account is used to record the fair value of equity-settled, share-based payment transactions with employees. The amounts recorded in share options outstanding account are transferred to securities premium upon exercise of stock options and transferred to general reserve on account of stock options not exercised by employees

Capital Redemption Reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Note No. 12.3: Non Controlling Interest

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,259.03	1,276.72
Subsidiary added / (deletion) during the year	-	(207.47)
Profit / (Loss) for the year	104.35	191.98
Other Comprehensive Income	(7.69)	(2.20)
	1,355.69	1,259.03

Note No. 13 : Borrowings
A. Non Current Borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost		
A. Secured Borrowings:		
a) Fully Redeemable Debentures		
16%, 500 secured, redeemable, unlisted, unrated, non-convertible debentures of Rs. 1,00,000/- each. (Sanctioned 1500 Secured redeemable. Unlisted, unrated, non-convertible debenture of Rs. 1,00,000/- each)	-	136.17
b) Term Loans		
From Financial Institution (Refer Note 13.1)	7,909.90	6,221.05
c) Vehicle Loan from Financials Institutions	-	13.07
Total Secured Borrowings	7,909.90	6,370.29
Total Borrowings carried at Amortised Cost	7,909.90	6,370.29
Total Borrowings	7,909.90	6,370.29

Notes forming part of Consolidated Financial Statements

B. Current Borrowings

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
A. Secured Borrowings		
a) Cash Credit From Banks	4,185.02	4,784.32
b) Current maturities of long term debt (Refer Note 13.1)	4,619.73	1,620.88
	8,804.75	6,405.20
B. Unsecured Borrowings		
a) From Banks (Bank overdraft)	212.90	0.30
b) Loans from related parties (Refer Not 33)	505.95	632.31
c) Loans from other parties	34.83	69.91
	753.68	702.52
Total Current Borrowings	9,558.43	7,107.72
Cash Credit from Banks (SBI, UBI, CSB Indusind Bank and Karnataka Bank) ranging from 10% -12% is secured by way of hypothecation of building materials, work in progress, finished flats, book debts and equitable mortgage of specified properties of the Company and other entities including a wholly owned subsidiary, corporate guarantee of other Companies including a wholly owned subsidiary and personal guarantee of the Managing Director of the Company.	2,099.51	4,551.84
Cash credit from Bank of India @ 10.05%, Secured by hypothecation of present and future current assets of the company and equitable mortgage of company's factory land and building (Unit I & Unit II) situated at Baddi and Corporate Guarantee of Vascon Engineers Ltd.	988.97	569.08
Cash credit from Bank of Baroda @ 9.95%, Secured by hypothecation of present and future current assets of the Subsidiary (GMP Technical Solutions Pvt Ltd) and equitable mortgage of Subsidiary's (GMP Technical Solutions Pvt Ltd) office at Ghatkopar and Corporate Guarantee of Holding Company.	1,096.54	(336.60)

13.1 Disclosure regarding Non Current Borrowings

Name of the lender	Outstanding amount	Current Maturities	Long Term					Rate of interest	Nature of security
			2025-26	2026-27	2027-28	2028-36	Total		
I. Secured Loan									
a) Aditya Birla Finance Limited	2,491.10	1,125.00	1,366.10	-			1,366.10	15.40%	<ol style="list-style-type: none"> Exclusive charge on Entire land admeasuring 40,152 sq.mtr along with present and proposed construction thereon excluding sold and registered units along with hypothecation of receivables from sold units (including in unsold units from phase 1 & 2 for project Vascon Good Life located Talegaon MIDC Road, situated at Katvi, Tal - Maval Dis. Pune. Minimum Security cover of 2x and net realisable cover of 2x times on proposed security First and exclusive charge by way of hypothication on all the present and future receivables (sold and unsold), on the above mentioned project Exclusive charge on pass through escrow account for deposit of surplus share of profit of VEL for the Project Forest County from Tower N & W with receivable to the tune of Rs. 14.75 Crs.. First and exclusive charge by way of hypothication on the RERA Escrow account for the Project Vascon Goodlife, all monies credited or deposited therein and all investment in respect thereof.

VASCON ENGINEERS LIMITED

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Name of the lender	Outstanding amount	Current Maturities	Long Term					Rate of interest	Nature of security
			2025-26	2026-27	2027-28	2028-36	Total		
b) Aditya Birla Finance Limited - 10 Crore	942.50	36.23	41.07	46.56	52.50	766.13	906.27	12.60%	<ol style="list-style-type: none"> Duplex Flat no 701, Floor No:- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. Duplex Flat No a-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
c) Aditya Birla Finance Limited - 6.60 Crore	621.54	28.84	32.61	36.87	41.53	481.68	592.69	12.35%	<ol style="list-style-type: none"> Duplex Flat no 701, Floor No:- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. Duplex Flat No A-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
d) Aditya Birla Finance Limited - 15 Crore	1,111.04	1,027.93	83.10				83.10	13.50%	<ol style="list-style-type: none"> Duplex Flat no 701, Floor No:- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. Duplex Flat No A-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
e) Tata Capital Financial Services Limited	789.78	356.80	339.91	93.07	-	-	432.99	14.75%	<ol style="list-style-type: none"> First charge by way of Hypothecation on the receivables of sale of developers identified units into an escrow account. First and exclusive charge by way of Mortgage on property situated at Tulips Phase -3, Block 6 & 7 at S nos 551/1,2,556/1D,1E,557/3,560/3, T S No 13/1A, Ward no 28, Block No 1 of Sowripalayam Village, East Zone, Coimbatore, Tamil Nadu 641028.
f) Tata Capital Financial Services Limited	2,971.95	642.85	857.14	857.14	614.83		2,329.10	13.25%	<ol style="list-style-type: none"> First and exclusive charge by way of mortgage on commercial project land proposed to be developed i.e 3600 Sq Mtrs. Situated at Survey No.75,hissa no 2/1 situated at village kharadi,taluka haveli ,District Pune (PINCODE) standing in the name of M/S Rainbow associates (Security Provider) having clear and marketable title. Hypothecation and escrow of developer's share in sold and unsold receivables from commercial project at mortgaged land. all the cashflows from project(developer's share) to be routed through TCSFL escrow account.

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Name of the lender	Outstanding amount	Current Maturities	Long Term					Rate of interest	Nature of security	
			2025-26	2026-27	2027-28	2028-36	Total			
g) Vivriti Capital Limited	2,481.25	1,095.24	1,386.01	-	-	-	-	1,386.01	13.25%	<p>i. An exclusive charge, by way of registered mortgage over the Mortgaged Properties together with all buildings, structures and appurtenances thereon and thereunder;</p> <p>Where, "Mortgaged Properties" shall mean:</p> <p>a. A commercial unit admeasuring 684.37 Sq.ft. built-up area situated at 1st Floor Unit, Golden Nest CHS, A-Building, S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower;</p> <p>b. A commercial restaurant unit admeasuring 1664.32 Sq.ft carpet area situated at 1st Floor Unit, Golden Nest CHS, A-Building, S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower; and</p> <p>c. A residential studio apartment admeasuring 844 Sq.ft carpet area situated at S.No.15/1, 15/2/1, 15/2/2, 15/3, 15/4, 15/5 & 15/6, Apartment Studio Unit No.701, 7th Floor, Sapodilla Building, Marigold Complex, Village Vadgoan Sheri, Tal. Haveli, District Pune, belonging to the Borrower;</p> <p>ii. A subservient and continuing charge by way of hypothecation on all current assets, movable and fixed assets of the Borrower including all plant and machinery, spares, tools, accessories, furniture, fixtures, book debts, both present and future and all current assets of the Borrower, both present and future as more particularly defined in the Deed of Hypothecation;</p> <p>iii. Cash collateral of 10% (Ten Percent) of the Facility amount in the form of interest free security deposit placed with the Lender, with a lien and set off marked in favour of the Lender ("Cash Collateral") in proportion to drawdown amount, Rating Downgrade cash collateral, Security Breach Cash collateral and a demand promisory note and a Letter of Continuity.</p>
h) UBI - UGECL	106.78	59.76	26.69	20.32	-	-	-	47.02	9.25%	<p>1. 100% Guarantee covered by National Guarantee Trust Company (NCGTC) id available.</p> <p>2. Second Charge on existing Prime Security of Hypothecated Stock and Books Debts. Second charge on all the existing Prime / Collateral Securities</p>
i) State Bank of India - Guaranteed Emergency Credit Line	900.75	234.00	222.25	222.25	222.25	-	-	666.75	8.95%	Extension of charge (2nd charge) over the existing Primary & collateral securities created in favour of the Bank (Consortium Banks)
j) UBI OD against Fixed Deposit	84.33	-	84.33	-	-	-	-	84.33	5.30%	Secured against fixed deposit
k) Bank of Maharashtra	15.54	-	4.10	2.39	2.64	8.81	-	17.94	10.45%	Hypothecation of Vehicle financed by lender
C. Term loans										

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Name of the lender	Outstanding amount	Current Maturities	Long Term					Rate of interest	Nature of security
			2025-26	2026-27	2027-28	2028-36	Total		
From Financial Institutions									
Daimler Financial Services India Pvt Ltd	41.81	41.81	-	-	-	-	-	8.17%	Hypothecation of Vehicle financed by lender
Daimler Financial Services India Pvt Ltd	13.07	13.07	-	-	-	-	-	6.60%	Secured by hypothecation of Motor Vehicle, payable in 48 months, Maturity date : 18/03/2025, Rate of interest 6.60% p.a.
	12,571.44	4,661.54	4,443.32	1,278.60	933.75	1,256.62	7,912.29		

Note : Interest accrued and due on borrowings as on 31st Mar, 2024 disclosed under other current liabilities (Refer Note 14)

Note No. 14 : Other Financial Liabilities
A. Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Other Financial Liabilities Measured at Amortised Cost		
Commitment and other deposits	880.65	888.87
Other Non-Current Financial Liabilities	880.65	888.87

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a) Interest accrued but not due on borrowings	1.05	2.05
b) Interest accrued but due on borrowings	92.40	68.94
c) Creditors for capital supplies/services	111.18	70.86
d) Others	30.96	29.61
Total other financial liabilities	235.59	171.46

Note No. 14A : Lease Liability
A. Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability obligation	1,274.41	427.63
Finance Lease Liability	-	37.96
Other Non-Current Lease Liabilities	1,274.41	465.59

Note No. 14A : Lease Liability
B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Current maturities of finance lease obligations	41.81	13.61
(b) Current maturities of lease obligations IND AS 116	578.62	277.52
Other Current Lease Liabilities	620.43	291.13

Note No. 15 : Trade and other payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Total Outstanding dues of Micro and Small Enterprises (Refer Note 37)	2,048.54	662.05
Total Outstanding dues of Creditors other than Micro and Small Enterprises	38,264.56	35,496.95
Total trade payables	40,313.10	36,159.00

Notes forming part of Consolidated Financial Statements

Note 15 (a)

Trade Payables ageing schedule

Mar-24
(₹ in Lakhs)

Particulars	Outstanding for following periods				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	1,994.63	48.78	1.96	3.16	2,048.53
(ii) Others	24,421.03	2,461.28	1,875.72	9,506.53	38,264.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Trade Payables ageing schedule

Mar-23

Particulars	Outstanding for following periods				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	636.03	18.75	-	7.27	662.05
(ii) Others	22,975.01	2,270.42	2,339.44	7,912.08	35,496.95
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

Note : Ageing has been considered from the date of transactions

Note No. 16 : Provisions

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
a) Provision for employee benefits		
1) Compensated absences	1,051.58	958.71
2) Gratuity (Refer Note 31)	1,357.83	1,125.00
	2,409.41	2,083.71
b) Others		
1) Taxation (Net of Advance Tax)	249.21	256.03
2) Warranty / Provision for Vendor Claims	274.19	1,006.84
	523.40	1,262.87
TOTAL	2,932.81	3,346.58

Note No. 17 : Current Tax and Deferred Tax

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Current Tax:		
Current Income Tax Charge	993.78	336.79
Adjustments in respect of prior years	34.30	-
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(71.91)	50.93
Total Tax Expense recognised in profit and loss account	956.17	387.72

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :

(₹ in Lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Profit before Tax	7,749.67	10,328.80
Income Tax using the Company's domestic Tax rate @ 25.168 %	1,962.82	2,601.25
Effect of :		
Income that are exempt from taxation	(387.92)	(489.66)
Expenses that are non deductible in determining taxable profit	510.25	(84.35)
Expenses that are Allowable expenditure	(335.41)	-
Adjustments recognised in the current year in relation to the current tax of prior years	(755.96)	(1,690.57)
Deferred tax assets recognised on temporary differences	(71.91)	51.05
Changes in estimates related to prior years	34.30	-
Income Tax recognised In P&L	956.17	387.72

Notes forming part of Consolidated Financial Statements
c) Deferred Tax Assets (Net)

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of Fixed Assets	(84.46)	(90.06)
Effects of reameasuring Financials instruments, Financial guarantee Commission and OCI under IND AS	-	1.34
Others		-
Tax effect of items constituting deferred tax liability	(84.46)	(88.72)
<u>Tax effect of items constituting deferred tax asset</u>		
Provision for compensated absences and gratuity	74.01	74.01
Disallowance u/s 40a / Provision for Doubtful debts & Advances	526.95	401.79
MAT Credit Entitlement	-	6.41
Effects of reameasuring Financials instruments, Financial guarantee Commission and OCI under IND AS	-	48.98
Unabsorbed depreciation carried forward and brought forward business losses	6.92	0.73
Tax effect of items constituting deferred tax asset	607.88	531.92
Net Deferred Tax Asset / (Liability)	692.34	620.64

Note : Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Company, basis their assessment opted for a lower corporate tax rate as per section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2020-21 onwards. Accordingly, the Company recognized Provision for Income Tax and re-measured the Deferred Tax Liabilities on the basis of the revised lower tax rate and impact of the same was recognized in the year ended March 31, 2024.

Note No. 18 : Other Liabilities
B. Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
a. Advances received from customers		
- Gross amount due to customers	23,195.93	15,773.43
- Less : Related Unbilled Revenues	(6,049.63)	(2,917.66)
	17,146.30	12,855.77
b. Amount due to customers under construction contracts		
- Gross amount due to customers	4,373.97	4,409.46
- Less : Related Debtors	(1,577.42)	(1,256.21)
	2,796.55	3,153.25
c. Statutory dues		
- taxes payable (other than income taxes)	3,043.33	1,668.68
Total Other Current Liabilities	22,986.18	17,677.70

Note No. 19 : Revenue from operations

PARTICULARS	(₹ in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue recognised / sales (gross)		
- Contract Revenue	71,398.34	64,940.61
- Sale of Unit/Land	2,545.82	9,079.35
- Trading Sales & Other Sales	232.99	323.92
- Manufacturing Sales	28,933.09	25,186.98
- Other sales (Includes maintenance charges of socieity,Hire charges,Scrap Sales)	256.12	263.28
Other Operating Income		
- Rent / Compensation / Maintenance	356.82	198.54
- Share of profit / (loss) from Joint Venture	1,562.71	1,945.55

Notes forming part of Consolidated Financial Statements

Total Revenue from Operations	105,285.89	101,938.23
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Note No. 20 : Other Income

(₹ in Lakhs)		
PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Interest income on Financial Assets at Amortised Cost	846.84	613.80
b) Investments carried at fair value through profit or loss in Liquid Mutual fund units	5.51	7.81
c) Provision / Creditors no longer required written back	930.47	347.18
d) Profit on sale of capital assets (Net of loss on assets sold / scrapped / written off)	76.62	10.74
e) Foreign exchange gain	-	3.65
f) Miscellaneous income	398.84	121.14
Total Other Income	2,258.28	1,104.32

Note No. 21.a : Cost of materials and services consumed

(₹ in Lakhs)		
PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract	60,483.54	56,034.83
Development	6,520.18	4,386.30
Cost of Material Consumed	21,624.91	17,635.16
Incidental borrowing cost incurred attributable to qualifying assets	1,448.04	1,411.15
Total cost of materials and services consumed	90,076.67	79,467.44

Note No. 21.b : Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Lakhs)		
PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
<u>Closing balance of projects under development :</u>		
Completed Units / Finished goods	2,040.99	1,315.46
Work-in-progress	46,157.09	40,090.02
	48,198.08	41,405.48
<u>Opening balance of projects under development:</u>		
Completed Units / Finished goods	1,315.46	888.87
Work-in-progress	40,090.02	45,086.96
	41,405.48	45,975.83
Less: Stock of Work in Progress reduced on account of conversion	-	(5,172.43)
	41,405.48	40,803.40
Net (increase) / decrease	(6,792.60)	(602.08)

Note No. 22 : Employee benefit expense

(₹ in Lakhs)		
PARTICULARS	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Salaries and wages, including bonus	6,940.43	6,102.55
b) Contribution to provident and other funds (Refer Note 31)	448.56	377.09
Expense on Employee Stock Option Scheme	-	-
c) Share based payment transactions expenses (Refer Note 28)	191.39	196.14
Cash-settled share-based payments	-	-
d) Staff Welfare & Other Expenses	264.35	235.77
Total Employee Benefit Expense	7,844.73	6,911.55

Notes forming part of Consolidated Financial Statements
Note No. 23 : Finance costs

PARTICULARS	(₹ in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Interest expense	2,784.66	2,560.16
b) Other borrowing costs	255.86	238.54
	3,040.52	2,798.70
Less : Amounts included in the cost of qualifying assets	1,448.04	1,519.35
Total Finance Costs	1,592.48	1,279.35

Note No. 24 : Other expenses

PARTICULARS	(₹ in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Stores and spares consumed	401.27	355.82
b) Power & Fuel oil consumed	426.63	365.06
c) Rent including lease rentals	188.87	291.40
d) Repairs to buildings	98.83	64.71
e) Repairs to Plant & Machinery	119.87	97.54
f) Repairs and maintenance - Others	96.63	132.76
g) Rates & Taxes	273.62	111.25
h) Insurance charges	125.82	85.84
i) Bad debts and other receivables, loans and advances written off	407.30	544.34
j) Provision For Doubtful Debt And Advances	508.18	(152.23)
k) Audit Fees		
1) Audit fees	48.14	46.00
2) Limited Review	28.64	25.50
3) Certification Services	10.50	0.53
l) Other Expenses		
1) Legal and other professional costs	920.65	759.09
2) Advertisement, Promotion & Selling Expenses	267.64	549.59
3) Travelling and Conveyance Expenses	514.73	484.04
4) Postage and telephone	115.84	90.15
5) Printing and stationery	56.89	51.88
6) Brokerage / commission	57.67	10.14
7) Donations	12.22	4.78
8) Corporate Social Responsibility Expenditure (Refer Note 41)	60.53	-
9) Bank charges	63.37	58.42
10) Hire Charges Paid	12.61	14.10
11) Foreign exchange gain / loss (net)	88.75	-
12) Miscellaneous Expenses	727.32	474.32
Total Other Expenses	5,632.52	4,465.03

Note 25: Disclosures under Ind AS 33

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Basic Earnings per share (Amount In Rupees)	3.05	4.49
Diluted Earnings per share (Amount In Rupees)	3.05	4.49

Notes forming part of Consolidated Financial Statements

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

PARTICULARS	(₹ in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year	6,793.50	9,941.10
Add: Profit/(Loss) attributable to Non - Controlling Interest	104.35	191.98
Profit for the year attributable to owners of the Company (A)	6,689.15	9,749.12
Weighted average number of equity shares (B)	219,109,461	217,317,111
Earnings per share from continuing operations - Basic (Amount In Rupees) (A / B)	3.05	4.49

Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the Stock options for the respective periods. Anti-dilutive effect, if any, has been ignored.

PARTICULARS	(₹ in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit / (loss) for the year used in the calculation of basic earnings per share	6,689.15	9,749.12
Weighted average number of equity shares used in the calculation of Basic EPS	219,109,461	217,317,111
Employee Stock Option Plans	-	552,510
Weighted average number of equity shares used in the calculation of Diluted EPS	219,109,461	217,869,621
Earnings per share from continuing operations - Dilutive (Amount In Rupees)	3.05	4.49

Note No. - 26 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Group's financial instruments

Particulars	Carrying amount		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Non - Current Assets				
(i) Investments	5,174.72	5,174.72	5,174.72	5,174.72
(ii) Loans	213.18	210.68	213.18	210.68
(iii) Others Financial Assets	15,618.15	13,115.36	15,618.15	13,115.36
Current Assets				
(i) Trade receivables	26,634.49	21,770.68	26,634.49	21,770.68
(ii) Cash and cash equivalents	2,414.04	5,297.09	2,414.04	5,297.09
(iii) Bank balances other than (ii) above	5,785.87	5,515.00	5,785.87	5,515.00
(iv) Loans	9,175.20	8,614.56	9,175.20	8,614.56
(v) Others Financial Assets	34,846.51	34,142.60	34,846.51	34,142.60
Financial assets measured at fair value through Statement of Profit & Loss				
(a) Current investments	404.97	346.59	404.97	346.59
(b) Non Current investments quoted	5.11	0.11	5.11	0.11
(c) Non Current investments unquoted	2,750.25	2,750.25	2,750.25	2,750.25
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Non - Current Liabilities				
(i) Borrowings	7,909.90	6,370.29	7,909.90	6,370.29
(ii) Other financial liabilities	2,155.06	1,354.46	2,155.06	1,354.46
Current Liabilities				
(i) Borrowings	9,558.43	7,107.74	9,558.43	7,107.74
(ii) Trade and other payables	40,313.10	36,158.97	40,313.10	36,158.97
(iii) Other financial liabilities	856.02	462.58	856.02	462.58

Notes forming part of Consolidated Financial Statements

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financials instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost, using the effective interest method.

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Group and in case of financial assets is the average market rate of similar credit rated instrument.

The Group maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Group internally reviews valuation, including independent price validation for certain instruments.

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

The following methods and assumptions were used to estimate fair value:

- Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.
- Security deposit paid are evaluated by the Group based on parameters such as interest rate non performance risk of the customer. The fair value of the Group's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.
- Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.
- The fair value of the Group's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the reporting was assessed to be insignificant.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed , either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents the assets and liabilities measured at fair value on recurring basis at March 31, 2024 and March 31, 2023.

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3
March 31, 2024			
Investment in mutual funds	170.97	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-
March 31, 2023			
Investment in mutual funds	112.59	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-

During the year ended March 31, 2024, there were no transfer between Level 1 and Level 2 fair value measurement and no transfer into and out of Level 3 fair value measurement.

Notes forming part of Consolidated Financial Statements

Note No. - 27 Financial Instruments and Risk Review

Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 20% and 50%. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Borrowings (Refer Note 13 & 14A)	17,510.12	13,529.58
Trade Payables (Refer Note 15)	40,313.90	36,159.00
Less : Cash and Cash Equivalents (Refer Note 11)	8,199.90	10,812.09
Net Debt	49,624.12	38,876.49
Equity attributable to owners of the Company (Refer Note 12)	98,103.12	91,176.88
Total Capital	98,103.12	91,176.88
Capital and Net Debt	147,727.24	130,053.37
Gearing Ratio	34%	30%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

Financial Risk Management Framework

Vascon Engineers Limited is exposed primarily to credit risk, liquidity risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

i) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables. None of the financial instruments of the Group result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial asset represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 85,706.84 lakhs and ₹ 76,253.03 lakhs as of March 31, 2024 and March 31, 2023 respectively. Trade receivables are typically unsecured and are derived from revenue earned from Development, EPC and manufacturing customer. Credit risk is managed by the Group by continuously monitoring the recovery status of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Group's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of March 31, 2024 and March 31, 2023, however there was no default on account of those customer in the past. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Notes forming part of Consolidated Financial Statements

Before accepting any new customer, the Group uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Movement in the expected credit loss allowance:

Particulars	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the period year	3,965.09	4,138.46
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	93.79	338.73
Utilization / Reversals	(12.17)	(512.10)
Balance at the end of the year	4,046.71	3,965.09

ii) Liquidity Risk
a) Liquidity risk management

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

b) Maturities of financial liabilities

The following tables detail the remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

(₹ in Lakhs)

Particulars	31-Mar-24		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	40,313.90	-	-
Other Financial Liabilities	235.59	880.65	-
Working capital demand loans / Term loans	9,558.43	7,909.90	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	-	-

(₹ in Lakhs)

Particulars	31-Mar-23		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	36,158.97	-	-
Other Financial Liabilities	171.44	888.87	-
Working capital demand loans / Term loans	5,837.40	6,234.12	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	1,270.32	136.17	-

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or having economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels

Notes forming part of Consolidated Financial Statements

iii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

Foreign Currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar, Euro, Singapore Dollar, Great Britain Pound, Japanese Yen against the respective functional currencies of the Group. The Group, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows.

1) Foreign currency exposures hedged by derivatives - Rs. Nil (Previous Year - Rs. Nil)

2) Details of Foreign currency exposures that are not hedged by derivative instrument or otherwise :

Particulars	Currency	Amount in foreign currency (in Lakhs)		Equivalent amount (₹ in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade Receivables	EURO	-	-	-	-
	GBP	-	-	-	-
	USD	0.51	0.56	42.49	46.22
	EURO	0.18	0.18	16.49	16.38
	USD	30.94	25.23	2,579.48	2,073.94

Foreign Currency Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in USD, EUR and JPY exchange rates, with all other variables held constant, the impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

For the year ended	Currency	Change in Rate	(₹ in Lakhs)
			Effect on Pre Tax Profit
March 31, 2024	USD	+10%	253.70
	USD	-10%	(253.70)
	EURO	+10%	1.65
	EURO	-10%	(1.65)
March 31, 2023	USD	+10%	202.77
	USD	-10%	(202.77)
	EURO	+10%	1.64
	EURO	-10%	(1.64)

In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not affect the exposure during the year.

Note No. 28 - Share Based Payments

Employee stock option scheme (ESOS) - 2017

The ESOS was approved by Board of Directors of the Parent Company on 10th Aug 2017 and thereafter by the share holders on 15th September 2017. A compensation committee comprising of independent directors of the parent company administers the ESOS plan. Each option carries with it the right to purchase one equity share of the company. All options have been granted at a predetermined rate of ₹ 28/- per share. The maximum exercise period is 4 year from the date of vesting i.e 30th Sept 2017.

The ESOS granted on 10th August 2017, was repriced on 15th March 2019, at a predetermined rate of ₹ 15/- per share. The maximum exercise period is 4 year from the date of vesting i.e 30th Sept 2017. The ESOS granted on Feb 2021, was repriced on 8th Sept 2020, at a predetermined rate of ₹ 10/- share.

Notes forming part of Consolidated Financial Statements

Number of options granted, exercised, cancelled / lapsed during the financial year are as follows:

Particulars	FY 2023-24	FY 2022-23
Options granted, beginning of the year	4,000,000	4,000,000
Granted during the year	4,000,000	-
Exercised during the year	-	-
Cancelled/lapsed during the year	-	-
Options granted, end of the year	-	4,000,000
Weighted Average remaining life	-	-

Employee stock option scheme (ESOS) - 2020

The ESOS was approved by Board of Directors of Parent Company in its meeting held on 14th July 2020 and further confirmed and approved by members on 8th September 2020. Nomination and Remuneration Committee Administers the plan. Each option carries with it the right to purchase one equity share of the parent company. All options have been granted at a predetermined rate of ₹ 10/- per share. The maximum exercise period is 1 year from the date of vesting.

Number of options granted, exercised, cancelled / lapsed during the financial year are as follows:

Particulars	FY 2023-24	FY 2022-23
Options granted, beginning of the year	16,000,000	16,000,000
Granted during the year	-	-
Exercised during the year	-	-
Cancelled/lapsed during the year	-	-
Options granted, end of the year	16,000,000	16,000,000
Weighted Average remaining life	3.58	4.00

The fair value of the stock option is calculated through the use of option pricing models, requiring subjective assumptions which greatly affect the calculated values. The said fair value of the options have been calculated using Binomial lattice option pricing model, considering the expected weighted average term of the options to be 1 year from the date of vesting, an expected dividend rate on the underlying equity shares, a risk free rate and weighted average volatility in the share price. The Company's calculations are based on a single option valuation approach, and forfeitures are recognized as they occur. The expected volatility is based on historical volatility of the share price after eliminating the abnormal price fluctuations.

The inputs used in the measurement of the fair values at grant date of the share-based payment plans were as follows.

Particulars	Employee Share Purchase Plan	Employee Share Purchase Plan
	ESOS - 2020	ESOS - 2017
Share price at grant date (₹ per share)	9.75	29.55
Exercise price (₹ per share)	10	15
Expected volatility	68.11%	68.00%
Expected life / Option Life	1 year from the date of vesting	4 Year from the date of vesting
Expected dividends yield	2%	2%
Risk-free interest rate (based on government bonds)	5.90%	6.70%

Note: Rs. 605.60 Lakhs has been transferred from Equity settled reserves to securities premium

Note No. 29 - Disclosures under Ind AS 116

The Company has elected below practical expedients on transition to Ind AS 116:

- (i) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (ii) Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- (iii) Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
- (iv) Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration

- (v) The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

Notes forming part of Consolidated Financial Statements

(vi) The weighted average incremental borrowing rate applied to lease liabilities range from 10% to 13%

(A) Leases as lessee

(i) The movement in Lease liabilities during the year

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	756.72	743.77
Additions during FY 2023-24	1,486.26	202.86
Deletion during the year	-	-
Finance costs incurred during the year	87.64	81.68
Payments of Lease Liabilities	435.78	271.58
Balance as at 31st March, 2024	1,894.84	756.72

(ii) The carrying value of the Rights-of-use and depreciation charged during the year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note -3 "Property, Plant & Equipments & Intangible Assets".

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Expenses related to Short Term Lease & Low Asset Value Lease		
- Finance Cost	87.64	81.68
- Depreciation	341.61	206.93
(ii) Expenses related to Short Term Lease & Low Asset Value Lease	130.68	248.43
Total Expenses	559.93	537.04

(iv) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Maturity Analysis of contractual undiscounted cash flows		
Before 3 months	231.51	72.67
3- 6 months	184.19	72.67
6- 12 months	360.89	145.43
1- 3 years	910.43	543.44
3- 5 years	586.90	24.76
Above 5 years	-	-
Total undiscounted Lease Liability	2,273.91	858.96
Balances of Lease Liabilities		
Non Current Lease Liability	1,274.41	465.59
Current Lease Liability	620.43	291.13
Total Lease Liability	1,894.84	756.72

Note - 30: Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Contingent liabilities		
(a) Disputed demands for Income Tax	1,217.07	518.94
(b) Disputed demands for Value Added Tax / GST	1,660.76	2,104.36
(c) Performance and financial guarantees given by the Banks on behalf of the Group	22,835.87	15,951.45
(d) Corporate guarantees given for other companies / entities and mobilization	-	7,500.00
(e) Claims against the Group not acknowledged as debt	3,586.41	3,596.18

(i) The Creditors of the Company have filed a civil suit claiming of ₹ 715.47 lakhs (Previous year ₹ 835.04 lakhs) as amount due to them, which claims the Company is disputing.

(iii) One of the labour supplier has filed a criminal complaint in Additional Magistrate Court, Dadar, Mumbai, for recovery of his dues for ₹ 3.95 lakhs (Previous year - ₹ 3.95 lakhs).

Notes forming part of Consolidated Financial Statements

(iv) One of the customer has filed arbitration proceeding against the Company for loss on account of wastage i.e. excess consumption of cement and steel, loss on account of escalation of cement and steel, additional cost incurred for completing the balance work, loss for rectifying defective work, refund of amount in VAT and excess duty, loss of reputation and liquidated damages and interest, amounting to ₹ 2,867.00 lakhs (Previous year ₹ 2,867.00 lakhs).

(v) In earlier years Vascon Dwelling Private Limited (Merged Company) has entered into agreement for sale in respect of plot of land admeasuring 5,016.95 sq mtrs for a consideration of ₹ 376.27 lakhs.

In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land.

As per the conditional sale the company has to obtain clear enforceable title within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 87.80 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 3 lakhs per month from the date of breach till the date of curing the breach.

In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also received the Court Order for the same.

On 31st July 2023, Company have entered into Deed of Conveyance with Ashoka Infraways Ltd. and at present no Pending compliance by the Company.

(vi) In earlier years Vascon Dwelling Private Limited (Merged Company) has transferred Development rights in respect of plot of land admeasuring 3,940 sq mtrs for a consideration of ₹ 295.50 lakhs

In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land.

As per the conditional sale the company has to obtain clear enforceable title and to obtain certain permission/clearance within 18 months of the execution of the agreement.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 68.95 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 2.35 lakhs per month from the date of breach till the date of curing the breach.

In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also received the Court Order for the same.

On 31st July 2023, Company have entered into Deed of Conveyance with Ashoka Infraways Ltd. and at present no Pending compliance by the Company.

(vii) In earlier years Vascon Dwelling Private Limited (Merged Company) has entered into agreement for sale in respect of plot of land admeasuring 11,377 sq mtrs for a consideration of ₹ 853.35 lakhs

The company is under obligation to obtain tentative layout approval from corporation, which is subject to new Development Plan to be issued by the corporation.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 100 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and right to claim damages.

In respect of the above three agreement to sale of plots the company has recognised the sales amounting to ₹ 1,525.12 lakhs and profit of ₹ 659.67 lakhs. As on date of the balance sheet the company has not received any notice from the purchaser/transferee for termination of the agreement or claiming any interest/compensation.

In the Previous financial year the Company obtained NA Order for the land admeasuring about 16950 sq.mtrs., which includes and excess land admeasuring about 1473 sq.mtrs., has also been exempted and have become free hold now final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed and the necessary effect to the 7/12 extract required to be effected.

In the Current Financial year there were various site related compliances remained to be completed by Company. Out of which most of the compliances Company had completed. Now few more compliances have remained to be completed those are as follows :

a) final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed

Notes forming part of Consolidated Financial Statements

- b) during pendency of our development activities the adjacent owner/ developer of the land bearing S.No. 113/2B part, adm. about 10,000.00 sq.mtrs., has encroached on our plot of land to the tune of adm. about 300.00 sq.mtrs., of an area for which removal of the said encroachment, we have filed Spl. Civil Suit against the said land owners / developers in the Civil Court Nashik, which is pending for compliance by the Defendant developer.
- During the process of our compliance Ashoka Infraways had filed a Spl. Civil Suit against Vascon for specific performance for non compliance of various agreed things as per various terms of development agreement. Since Vascon have complied with all terms & conditions as per the said Development Agreement and due to amicable settlement arrived between the parties, Ashoka Infraways have withdrawn the said Spl. Civil Suit unconditionally.
- c) after demarcating the said land adm. about 16950.00 sq.mtrs., (inclusive of portion of land adm. about 4000.00 sq.mtrs., remained to be develop for owners) the entier plot will be divided in to various sub plots and accordingly the ultimate effect will be given to the said 7/12 extract.
- (f) tax department initiated prosecution u/s 276B of the Income Tax Act and filed a Court complaint for AY 2016-17 and 2017-18. Vascon paid all the TDS dues along with applicable interest and penalty for late filing there on and applied vide letter dt. 20th December 2019 to the Chief Commissioner of Income tax, Pune for Compounding of offences. Such application of Compounding is pending for disposal with the Chief Commissioner of Income Tax Pune. The amount w.r.t. the above proceeding is not quantifiable

For Development projects and according to the facts:

Pending final decision and interim stay granted by the Hon'ble High Court of Bombay in case of MCHI, the Company, has in case of certain development projects, neither collected nor paid Maharashtra Value Added Tax and in case of certain development projects, has paid Maharashtra Value Added Tax

Particulars	As at 31 March, 2024	As at 31 March, 2023
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,385.93	1,636.98

Note 31 : Employee benefits

(a) Defined Contribution Plan

The Group makes Provident Fund contributions to defined contribution plan administered by the Regional Provident Fund Commissioner. Under this scheme, the Group is required to contribute a specified percentage of payroll cost to fund the benefits. The Group has recognized Rs 401.85 Lakhs for Provident Fund contributions (March 31, 2023 : Rs. 340.41 Lakhs) and Rs 46.71 Lakhs towards ESIC (March 31, 2023 : Rs. 38.80 Lakhs) in the Statement of Profit and Loss. The provident fund and ESIC contributions payable by the Group are in accordance with rules framed by the Government from time to time.

Figures stated above are after capitalising

(b) Defined Benefit Plans:

Gratuity

The Group operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Defined benefit plans – as per actuarial valuation on 31st March, 2024

(₹ in Lakhs)

Particulars	Funded Plan	
	Gratuity	
	2024	2023
Service Cost		
Current Service Cost	144.59	130.96
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	81.98	76.20
Components of defined benefit costs reconisid in profit or loss	226.57	207.16
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amunt included in net interest expense)	1.12	6.02
Actuarial gains and loss arising form changes in financial assumptions	(27.93)	(33.22)
Actuarial gains and loss arising form experience adjustments	65.91	(54.14)
Actuarial gains and loss arising from demographic adjustments	(4.17)	4.61
Componentets of defined benefit costs recognised in other comprehensive income	34.93	(76.73)
Total	261.50	130.43

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Funded Plan	
	Gratuity	
	2024	2023
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	1,447.45	1,227.52
2. Fair value of plan assets as at 31st March	94.28	106.21
3. Surplus/(Deficit)	(1,353.17)	(1,121.30)
4. Current portion of the above	844.86	750.52
5. Non current portion of the above	541.85	405.71
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	(1,227.52)	(1,314.86)
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. <i>Expenses Recognised in Profit and Loss Account</i>		
- Current Service Cost	(144.59)	(130.96)
- Past Service Cost	-	-
- Interest Expense (Income)	(89.80)	(84.41)
4. <i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains / (losses)</i>		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	4.17	(4.61)
ii. Financial Assumptions	27.93	33.22
iii. Experience Adjustments	(65.91)	54.14
5. Benefit payments	48.27	219.96
6. Others (Specify)	-	-
7. Present value of defined benefit obligation at the end of the year	(1,447.45)	(1,227.52)
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	106.21	109.09
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. <i>Expenses Recognised in Profit and Loss Account</i>		
- Expected return on plan assets	2.57	1.84
- Mortality Charges and Taxes	(3.44)	(3.82)
4. <i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains / (losses)</i>		
- Actual Return on plan assets in excess of the expected return	4.13	0.34
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)	33.08	34.11
6. Benefit payments	(48.26)	(35.35)
7. Fair value of plan assets at the end of the year	94.29	106.21
IV. The Major categories of plan assets		
Funds Managed By Insurer	100%	100%

Maturity Profile of Defined Benefit Obligation:

Year Ending March 31	Expected Benefit Payment Rounded to the nearest thousand (in Rs.)
2025	311.80
2026	161.56
2027	153.32
2028	172.05
2029	118.38
2030-2034	1,072.98

Notes forming part of Consolidated Financial Statements

A. Effect of 0.5 % to 1 % change in the assumed discount rate	Increase	Decrease	Increase	Decrease
	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
Defined Benefit Obligation	1379.18	1,524.14	1171.21	1290.51

B. Effect of 1 % change in the assumed Salary Escalation Rate	Increase	Decrease	Increase	Decrease
	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
Defined Benefit Obligation	1519.48	1,381.99	1,284.95	1,174.96

C. Effect of 1 % to 5% change in the assumed Withdrawal Rate	Increase	Decrease	Increase	Decrease
	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
Defined Benefit Obligation	1463.21	1,430.71	1,239.31	1,216.10

V. Experience Adjustments :	Period Ended	
	2024	2023
	Gratuity	
1. Defined Benefit Obligation	1,447.45	1,227.52
2. Fair value of plan assets	94.28	106.21
3. Surplus/(Deficit)	(1,353.17)	(1,121.30)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	(61.80)	(98.31)
5. Experience adjustment on plan assets[Gain/(Loss)]	(3.90)	13.22

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note 32 : Significant estimates and assumptions**Estimates and Assumptions**

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acgrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assests or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes will be reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amounts sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Defined Benefit Plans (Gratuity Benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Details about gratuity obligations are given in Note 31.

Notes forming part of Consolidated Financial Statements

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, the fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value target and the discount factor.

The Group has valued its financial instruments through profit & loss which involves significant judgements and estimates such as cash flows for the period for which the instrument is valid, EBITDA of investee group, fair value of share price of the investee group on meeting certain requirements as per the agreement, etc. The determination of the fair value is based on expected discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor.

Note 33 : Related Party Transactions

I Names of related parties

1. Joint Ventures

- Phoenix Ventures
- Ajanta Enterprises
- Vascon Developers LLP (*w.e.f 6th Oct 2022*)
- Vascon Saga Constructions LLP
- Vascon Qatar WLL

2. Associates

- Sita Laxmi Mills Ltd
- DCS Conventions and Hospitality Private Limited
- Mumbai Estate Private Limited

3. Key Management Personnel

- Mr. R. Vasudevan
- Mr. Siddarth Vasudevan
- Dr Santosh Sundararajan
- Mr. Somnath Biswas
- Ms. Sarita Rameshlal Ahuja (*w.e.f 01-02-2023*)
- Ms.Vibhuti Dani (*resigned w.e.f 31-01-2023*)

Other Directors

- Mr. K G Krishnamurthy
- Mr.Mukesh Malhotra
- Ms. Sowmya Aditya Iyer
- Mr. S Balasubramanium
- Ms. Tara Subramanium

4. Relatives of Key Management Personnel

- Mrs. Thangam Moorthy
- Mrs. Lalitha Vasudevan
- Mrs. Lalitha Sundararajan
- Mrs. Ramya Moorthy
- Mrs. Shilpa Shivaram

5. Establishments where in which individuals in serial number (4) and (5) exercise significant Influence

- Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)
- Vastech Consultants Private Limited
- Vastech consultants and engineers LLP
- Vatsalya Enterprises Private Limited

Notes forming part of Consolidated Financial Statements

- Kanchi Properties Pvt Ltd.
- Bellflower Premises Private Limited
- Cherry Construction Private Limited
- Stresstech Engineers Pvt Ltd.
- Syringa Engineers Private Limited (Formerly known as Syringa Properties Private Limited)
- Vascon Infrastructure Limited
- Venus Ventures
- Seraphic Design Private Limited
- Sira Assets LLP
- Hamcon Engineers Pvt Ltd
- Daffodil Projects Pvt Ltd
- Conamore Resorts Pvt Ltd.
- Rose Premises Pvt Ltd
- One Stop Shop India P Ltd
- Deep Advisory Services
- Space Centric Marketing & Construction Consultancy Pvt Ltd

II Related party transactions

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Sales and work	3,315.99	3,041.18
Joint Ventures		
Ajanta Enterprises	186.55	706.74
Total	186.55	706.74
Key management Personnel		
Mr.Mukesh Malhotra	-	3.44
Dr Santosh Sundararajan	-	2.63
Total	-	6.06
Enterprise where KMP & Relatives of KMP significant influence		
Cherry Constructions Private Limited.	1,175.32	1,428.37
Stresstech Engineers Pvt Ltd.	17.49	-
Kanchi Properties Pvt Ltd.	1,936.64	-
Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	-	900.00
Total	3,129.44	2,328.37
(b) Interest Income/commission Received	186.34	115.46
Joint Venture		
Ajanta Enterprises	121.37	-
Vascon Developers LLP	52.03	101.84
	173.40	101.84
Enterprise where KMP & Relatives of KMP significant influence		
- Conamore Resorts Pvt Ltd.	12.94	13.62
	12.94	13.62
(c) Interest Expense /commission Paid	86.08	171.83
Joint Venture		
Ajanta Enterprises	-	28.36
Total	-	28.36

Notes forming part of Consolidated Financial Statements

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	3.75	57.30
Hamcon Engineers Pvt Limited	11.90	13.30
Sira Assets LLP	70.43	72.88
Total	86.08	143.47
(d) Purchase of Goods / Work/Rent	672.27	3,213.74
KMP		
Ms. Sowmya Aditya Iyer	8.11	11.48
Total	8.11	11.48
Enterprise where KMP & Relatives of KMP significant influence		
Purchase of Property Plant & Equipment		
Flora Facilities Private Limited	-	2,252.80
Rent		
Flora Facilities Private Limited	-	129.73
Lalitha Vasudevan	16.46	23.52
Works		
Stresstech Engineers Private Limited	361.47	564.20
Deep Advisory Services	61.00	57.00
Sira Assets LLP	93.00	-
Vastech Consultants Private Limited	30.60	30.60
Vastech Consultants & Engineers LLP	101.63	144.42
Total	664.16	3,202.26
(e) Receiving of Services	1,582.03	901.13
Key Management Personnel		
Mr R Vasudevan		
a) Post Employment benefits*	-	184.62
Dr Santosh Sundararajan		
a) Short term benefits **	276.96	271.67
b) Post Employment benefits*	18.03	18.25
c) Share based payments	602.18	-
Mr. Somnath Biswas **		
a) Short term benefits	72.48	61.28
b) Post Employment benefits*	8.64	5.46
c) Share based payments	163.07	-
Mr. Siddharth Vasudevan **		
a) Short term benefits	386.40	304.83
b) Post Employment benefits*	16.37	13.49
Ms. Sarita Rameshlal Ahuja		
a) Short term benefits	12.57	2.19
b) Post Employment benefits*	0.49	0.29
Ms. Vibhuti Darshin Dani		
a) Short term benefits	-	22.52
b) Post Employment benefits*	-	3.17
Total	1,557.18	887.75
*Post employment benefit represents contribution to provident fund. As Gratuity expenses is based on actuarial valuations, the same cannot be computed for individual employees and hence not included		
** Short term employment benefit represents Salary Net of Tax. Key Management Personnel wise Tax borne by employer bifurcation as below:		
Name of the KMP	379.12	147.96
a) Mr. Santosh Sundararajan		
b) Mr. Somnath Biswas	100.96	26.97

Notes forming part of Consolidated Financial Statements

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
c) Mr. Siddharth Vasudevan	204.20	161.72
During the current & previous financial year short term employment benefits represents Net of Tax salary received by KMP.	684.28	336.66
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	24.85	13.38
Total	24.85	13.38
(f) Share of Profit from AOP/Firm	1,563.29	1,946.86
Joint Ventures		
Phoenix Ventures	-	3.94
Vascon Developers LLP	3.05	-
Ajanta Enterprises	1,560.24	1,942.92
Total	1,563.29	1,946.86
(g) Share of Loss from AOP/Firm	0.57	0.83
Joint Ventures		
Vascon Developers LLP	-	0.83
Phoenix Ventures	0.57	-
Total	0.57	0.83
Flora Facilities Private Limited	-	1.37
	-	1.37
(h) Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit	1,745.25	3,840.21
Joint Ventures		
Mumbai Estate Private Limited	6.00	-
Total	6.00	-
Joint Ventures		
Phoenix Ventures	0.40	2.47
Vascon Developers LLP	342.90	-
Ajanta Enterprises	400.00	-
Total	743.29	2.47
Enterprise where KMP & Relatives of KMP significant influence		
Hamcon Engineers Pvt Ltd	67.74	7.60
Daffodil Projects Pvt Ltd	2.61	0.11
Conamore Resorts Pvt Ltd.	650.00	2,050.55
Sira Assets LLP	-	340.00
Space Centric Marketing & Construction Consultancy Pvt Ltd	0.35	-
Stresstech Engineers Private Limited	-	43.00
Flora Facilities Private Limited	275.26	768.07
Total	995.96	3,209.33
Key Management Personnel		
Mr. R. Vasudevan	-	628.40
Total	-	628.40

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(i) Finance availed /Received back(including equity contributions in cash or in kind)	2,841.45	3,557.11
Joint Ventures		
Vascon Developers LLP	-	127.50
Ajanta Enterprises	1,777.96	1,087.69
Total	1,777.96	1,215.19
Enterprise where KMP & Relatives of KMP significant influence		
Flora Facilities Private Limited	727.85	463.50
SIRA ASSETS LLP	33.00	-
Hamcon Engineers Pvt Ltd	-	89.30
Daffodil Projects Pvt Ltd	2.64	-
Rose Premises Pvt Ltd	-	1,700.00
One Stop Shop India Pvt Ltd	-	14.12
Conamore Resorts Pvt Ltd.	300.00	75.00
Total	1,063.49	2,341.92
(j) Outstanding as on		
A) Receivable to Vascon Engineers Limited	10,391.70	12,415.74
a) Loans & Advances / Project Advances		
Vascon Value Homes Private Limited	-	31.64
Marathawada Realtors Private Limited	124.62	113.46
Marvel Housing Private Limited	57.75	52.21
Total	182.37	197.31
Joint Ventures	1,410.03	5,302.86
a) Trade Receivable		
Phoenix Ventures	591.03	591.11
Total	591.03	591.11
b) Loans & Advances		
Phoenix Ventures	3.20	1.69
Total	3.20	1.69
c) Balance in current accounts		
Phoenix Ventures	377.43	377.35
Vascon Developers LLP	1.00	4,332.72
Ajanta Enterprises	437.38	-
Total	815.81	4,710.07
Associates	2,579.00	2,573.00
a) Loans & Advances (Including deposits and trade advances)		
Mumbai Estate Private Limited	2,579.00	2,573.00
Total	2,579.00	2,573.00
Enterprise where KMP & Relatives of KMP significant influence	6,181.54	4,316.83
a) Trade Receivable		
Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	66.73	518.20
Daffodil Projects Pvt Ltd	424.28	424.28
Mrs. Lalitha Vasudevan	3.35	3.35
Rose Premises Pvt Ltd	2.91	0.65

Notes forming part of Consolidated Financial Statements

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Kanchi Properties Pvt Ltd	1,836.64	-
Cherry Constructions Private Limited.	670.69	555.09
Total	3,004.61	1,501.57
b) Loans & Advances (Including deposits and trade advances)		
CONAMORE RESORTS PVT LTD.	2,608.59	2,246.89
Daffodil Projects Pvt Ltd	7.86	7.89
Rose Premises Pvt Ltd	19.75	19.75
One Stop Shop India Pvt Ltd	156.23	156.23
Venus Ventures	384.50	384.50
Total	3,176.93	2,815.26
Key Management Personnel	221.13	223.05
a) Trade Receivable		
Mr. R. Vasudevan	3.34	3.34
Ms. Sowmya Aditya Iyer	1.65	1.65
Mr. Santosh Sundararajan	10.14	12.06
Total	15.13	17.05
b) Loans & Advances (Including deposits and trade advances)		
Mr. Mukesh Malhotra	206.00	206.00
	206.00	206.00
B) Receivable from Vascon Engineers Limited	1,262.10	1,461.39
Joint Venture	14.98	127.60
a) Trade Payable		
Ajanta Enterprises	14.98	14.98
Total	14.98	14.98
c) Balance in current accounts		
Ajanta Enterprises	-	112.63
Total	-	112.63
Key Management Personnel	154.38	147.08
a) Trade Payable		
Ms. Sowmya Aditya Iyer	7.29	-
Mr. Mukesh Malhotra	136.76	136.76
	144.06	136.76
b) For Deposit Received		
Mr. R Vasudevan	10.32	10.32
Total	10.32	10.32
Enterprise where KMP & Relatives of KMP significant influence	1,092.75	1,186.70
a) Trade Payable		
Deep Advisory Services	-	47.42
Stresstech Engineers Private Limited	156.18	201.81
Vastech Consultants & Engineers LLP	148.49	124.71
Vastech Consultants Private Limited	70.16	70.11
Mrs. Lalitha Vasudevan	14.82	-
CONAMORE RESORTS PVT LTD.	9.00	9.00
Space Centric Marketing & Construction Consultancy Pvt Ltd	33.64	33.99
Total	432.29	487.04

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
b) Loans/(Advances)		
Flora Facilities Private Limited	4.66	21.29
Hamcon Engineers Pvt Limited	164.53	221.56
Sira Assets LLP	491.26	456.81
Total	660.46	699.66

Notes:-

- Related party relationships are as identified by the Company on the basis of information available and accepted by the auditors.
- No provision have been made in respect of receivable from related party as at March 31, 2024

Note 34 Key Ratios

Ratios	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variance
(a) Current Ratio	Current Assets	Current Liabilities	1.86	1.96	-5.16%	On account of Additional Borrowings leads to decrease in Current Ratio
(b) Debt-Equity Ratio,	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	Equity Capital	0.18	0.15	20%	On account of Additional Borrowings leads to increase in Debt-Equity Ratio
(c) Debt Service Coverage Ratio,	Net profit after taxes + Exception items + Noncash operating expenses (depreciation) + Finance costs + Other adjustments	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	0.56	0.92	-39%	increase in debt and corresponding increase in interest cost leads decrease in Debt Service Coverage Ratio.
(d) Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's Equity	7.18%	11.45%	-37.34%	decrease in Profit after tax as compared to last year leads to decrease in the ratio
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	1.61	1.60	1%	increase in inventory as compared to last year resulting in increased inventory turnover ratio.
(f) Trade Receivables turnover ratio,	Sale of Products	Average Trade Receivables	4.35	5.36	-19%	Decrease in Trade Receivables Turnover Ratio is mainly due to increase in trade receivable and sales compared to last year.
(g) Trade payables turnover ratio,	Net Purchase during the Year	Average Trade Payables	2.41	2.33	3%	increase in purchases as compared to last year leads to higher trade payables turnover ratio.
(h) Net capital turnover ratio,	Sale of Products	Working Capital	1.60	1.64	-2%	

Notes forming part of Consolidated Financial Statements

Ratios	Numerator	Denominator	31st March, 2024	31st March, 2023	% Variance	Reason for Variance
(i) Net profit ratio,	Net Profit after taxes	Sale of Products	6.45%	9.75%	-33.85%	Due to Ind As 115 leads to decrease in sale of Real Estate segment our profit got reduced to that extent hence decrease in ratio
(j) Return on Capital employed,	Earnings before interest and taxes (Loss before taxes + Finance costs)	"Capital employed (Tangible Net worth + Total Debt)"	8.53%	11.59%	-26.41%	Increase is on account of additional borrowings and lower EBIT as compared to previous year.
(k) Return on investment.	Income on Investment	Cost of Investment	2.85%	0.18%	1502.60%	increased on account of additional income from investments

Note : Reason for Variance are only provided for the change in the ratio by more than 25% as compared to the ratio of preceding year.

Note 35 : Disclosure of additional information as required by the Schedule III

a) As at and for the year ended March 31, 2024 :

(₹ in Lakhs)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount
Parent								
Vascon Engineers Limited	91%	90,138.27	90%	6,142.49	-193%	33.62	91%	6,176.11
Subsidiaries								
Vascon Value Homes Private Limited	0%	(1.52)	0%	(0.40)	0%	-	0%	(0.40)
Vascon EPC Limited	0%	-	0%	0.03	0%	-	0%	0.03
Marvel Housing Private Limited	0%	38.88	0%	3.61	-1%	0.21	0%	3.82
GMP Technical Solutions Private Limited	8%	7,680.97	9%	593.62	250%	(43.60)	8%	549.97
Almet Corporation Limited	0%	207.98	0%	(19.36)	0%	-	0%	(19.36)
Marathawada Realtors Private Limited	0%	38.08	0%	(30.83)	0%	-	0%	(30.83)
River Shore Developers Limited	0%	-	0%	-	0%	-	0%	-
Joint Ventures								
Cosmos Premises Private Limited	0%	-	0%	-	0%	-	0%	-
Vascon Construction Saga LLP	0%	1.52	0%	-	0%	-	0%	-
Non Controlling Interest								
	1%	1,355.69	2%	104.35	44%	(7.69)	1%	96.66
Total	100%	99,459.87	100%	6,793.51	100%	(17.46)	100%	6,776.00

VASCON ENGINEERS LIMITED

Notes forming part of Consolidated Financial Statements

b) As at and for the year ended March 31, 2023

(₹ in Lakhs)

Name of the entity	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount
Parent								
Vascon Engineers Limited	91%	83,711.67	87%	8,662.68	118%	96.51	87%	8,759.19
Subsidiaries								
Vascon Value Homes Private Limited	0%	(1.02)	0%	(0.35)	0%	-	0%	(0.35)
Vascon EPC Limited	0%	-	0%	0.03	0%	-	0%	0.03
Marvel Housing Private Limited	0%	35.05	0%	31.32	0%	0.19	0%	31.52
GMP Technical Solutions Private Limited	8%	7,133.25	11%	1,090.19	-15%	(12.48)	11%	1,077.71
Almet Corporation Limited	0%	227.37	0%	(11.63)	0%	-	0%	(11.63)
Marathawada Realtors Private Limited	0%	68.91	0%	(18.03)	0%	-	0%	(18.03)
River Shore Developers Limited	0%	-	0%	(5.11)	0%	-	0%	(5.11)
Joint Ventures								
Cosmos Premises Private Limited	0%	-	0%	-	0%	-	0%	-
Vascon Construction Saga LLP	0%	1.52	0%	-	0%	-	0%	-
Non Controlling Interest	1%	1,259.03	2%	191.98	-3%	(2.20)	2%	189.78
Total	100%	92,435.77	100%	9,941.08	100%	82.03	100%	10,023.11

Note No. 36 - Investment in Joint Arrangements

(a) Details of Material Joint Ventures

Details of each of the Company's joint ventures at the end of the reporting period are as follows:

Name of associate	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/voting rights held by the Company (%)		Quoted (Y/N)
			31-Mar-24	31-Mar-23	
Ajanta Enterprises	Real Estate	Pune	50%	50%	N
Phoenix Ventures	Real Estate	Pune	50%	50%	N
Vascon Saga Construction LLP	EPC	Bangalore	76%	76%	N

All of the above Joint Ventures are accounted for using the equity method in these financial statements.

Summarised financial information in respect of Ajanta Enterprise is set out below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current assets	2,328.42	12,246.21
Non-current assets	134.42	1,612.61
Current liabilities	1,124.65	13,199.24
Non-current liabilities	-	-
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	309.26	532.07
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-
Revenue	15,113.42	10,527.49
Profit (loss) for the year	3,120.47	3,885.83
Other comprehensive income for the year	-	-
Total comprehensive income for the year	3,120.47	3,885.83
Dividends received from the joint venture during the year	-	-

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
The above profit (loss) for the year includes the following:		
Depreciation and amortisation	17.40	21.32
Interest income	51.35	64.35
Interest expense	-	-
Income tax expense (income)	1,831.37	2,101.94

Reconciliation of the above summarised financial information to the carrying amount of the interest in the Ajanta Enterprise recognised in the consolidated financial statements.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Net assets of Ajanta Enterprise	1,338.19	164.68
Proportion of the Company's ownership interest in Ajanta Enterprise	50%	50%
Receivables / (Payable) from / to Partners	(179)	(12)
Goodwill	3,953.24	3,953.24
Carrying amount of the Company's interest in Ajanta Enterprise *	4,443.13	4,024.00

* Includes Partner's Fixed and Current Capital

Summarised financial information in respect of Phoenix Venture is set out below.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current assets	49.58	49.03
Non-current assets	833.37	833.41
Current liabilities	796.43	795.58
Non-current liabilities	-	-
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	67.29	67.95
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-
Revenue	(0.15)	133.03
Profit (loss) for the year	(1.15)	7.88
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(1.15)	7.88
Dividends received from the joint venture during the year	-	-
The above profit (loss) for the year includes the following:		
Depreciation and amortisation	-	-
Interest income	-	-
Interest expense	-	0.30
Income tax expense (income)	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the Phoenix Venture recognised in the consolidated financial statements.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Net assets of Phoenix Venture	86.53	91.50
Proportion of the Company's ownership interest in Phoenix Venture	50%	50%
Receivables from Partners	534.17	531.60
Carrying amount of the Company's interest in Phoenix Venture *	577.44	577.35

* Includes Partner's Fixed and Current Capital

Summarised financial information in respect of Vascon Construction Saga LLP is set out below.

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Current assets	-	-
Non-current assets	-	-
Current liabilities	-	-
Non-current liabilities	-	-
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	2.00	2.00
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-
Revenue	-	-
Profit (loss) for the year	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	-	-
Dividends received from the joint venture during the year	-	-
The above profit (loss) for the year includes the following:		
Depreciation and amortisation	-	-
Interest income	-	-
Interest expense	-	-
Income tax expense (income)	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the Cosmos Premises Private Limited recognised in the consolidated financial statements.

(₹ in Lakhs)

Particulars	31-Mar-24	31-Mar-23
Net assets of the Vascon Construction Saga LLP	2.00	2.00
Proportion of the Company's ownership interest in Vascon Construction Saga LLP	76%	76%
Capital Reserve	-	-
Carrying amount of the Company's interest in Vascon Construction Saga LLP	1.52	1.52

37 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount remaining unpaid to MSME suppliers as on	2,024.27	628.18
(ii) Interest due on unpaid principal amount to MSME suppliers as on	39.68	53.44
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	23.27	Nil
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	33.11	15.79
(v) The amount of interest accrued and remaining unpaid as on	65.56	53.44
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	33.11	15.79

Dues to Small and medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- 38** The group enters into "international & domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulation'). The pricing of such transactions will need to comply with Arm's length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.

The group has undertaken necessary steps to comply with the regulations. The management is of the opinion that the transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 39** Segment information has been presented in the Annexed Statements as permitted by Indian Accounting Standard (Ind AS) 108 on operating segment as notified under the Companies (Indian Accounting Standards) Rules, 2015.

40 Disclosure of particulars of contract revenue

(₹ in Lakhs)

	March 31, 2024	March 31, 2023
Contract Revenue Recognized during the year	71,385.67	64,936.83
Contract costs incurred during the year	60,539.52	56,050.33
Recognized Profit	10,846.15	8,886.49
Advances received for contracts in progress	(7,010.15)	(4,130.81)
Retention money for contracts in progress	7,676.01	6,166.60
Gross amount due from customer for contract work (assets)	33,573.00	29,322.64
Gross amount due to customer for contract work (liability)	2,035.33	1,959.31

41 As per Section 135 of the Companies Act, 2013 (the Act), a company meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) Activity. A CSR Committee has been formed by the company to undertake CSR activities on 09/11/2016 pursuant to the requirement of the Act.

- Gross amount required to be spent by the Company during the year - Rs. 75.43 Lakhs
- Amount spent during the year on:

(₹ in Lakhs)

CSR Activities	In Cash	Yet to be paid in cash	Total
	₹	₹	₹
i) Construction/acquisition of any asset	-	-	-
ii) Purpose other than (i) above	60.53	-	60.53

- The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year; Rs. 14.90 Lakhs
- The total of previous years' shortfall amounts; No Shortfall in Previous Year
- The reason for above shortfalls by way of a note; Shortfall paid in the coming financial year
- The nature of CSR activities undertaken by the Company. Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare.

42 The financial statements of subsidiaries, joint ventures and associates used in the consolidation are drawn upto the same reporting dates as of the company.

Following Subsidiaries along with Joint Ventures and Associates have not been audited for the year ended March 31, 2024 as of balance sheet date by other auditors, same have been consolidated on the basis of the accounts as certified by the management.

Mumbai Estate Private Limited (Associate)

Vascon Saga Construction LLP

Vascon Qatar WLL

Phoenix Ventures

Vascon Developers LLP

DCS Conventions and Hospitality Private Limited

43 Benami Property

There are no any proceeding initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

44 The Group has borrowings from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

45 One of the group company has applied to concern authorities for closure of its non-operating wholly owned foreign subsidiary viz. " GMP Technical Solutions Middle East FZE" and the company is in process of taking necessary statutory approvals in India.

46 Other Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013

- Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

- Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

VASCON ENGINEERS LIMITED

- 47 The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security, or the hike to or on behalf of the Ultimate Beneficiaries
- 48 The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security, or the hike to or on behalf of the Ultimate Beneficiaries
- 49 **Undisclosed Income**
- The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act ,1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act,1961)
- 50 Company had paid the 1st Interim Dividend of Rs.0.25/- (Rupees Twenty Five paise Only) per Equity Share on the entire issued, subscribed and paid up capital of the Company of 217,317,111 Equity Shares having face value of Rs. 10/- each for the Financial Year 2023-24.
- 51 **Wilful Defaulter**
- The Group has not declared Wilful Defaulter by any bank or financial institutions or any other lender.
- 52 **Relationship with Struck off Companies**
- The Group has not done any transactions with companies struck off under section 248 of the Companies Act, 2013.
- 53 **Code on Social Security**
- The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.
- 54 The figures for the corresponding period / year have been regrouped and rearranged wherever necessary to make them comparable.

In terms of our report attached.

For and on behalf of the Board of Directors

For Sharp & Tannan Associates
Chartered Accountants
(Firm Regn. No. 109983W)
By the hands of

Sd/-
Mukesh Malhotra
Chairman
(DIN-000129504)

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
CA Tirtharaj Khot
Partner
Membership No: (F) - 037457

Sd/-
Dr Santosh Sundararajan
Group Chief Executive Officer & Whole Time Director
(DIN-00015229)

Sd/-
Sarita Ahuja
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Place: Pune

Place: Pune

Date: 21 May, 2024

Date: 21 May, 2024

Annexure referred to in Note 39 of the notes forming part of consolidated financial statements

Disclosure of particulars of segment reporting as required by Indian Accounting Standard (Ind AS) 108

Information about primary business segments

(₹ in Lakhs)

Particulars	EPC		Real Estate Development		Manufacturing & BMS		Unallocable		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue										
Total Sales including eliminations	71,114.65	65,405.22	3,675.44	9,400.51	28,933.09	25,286.98	-	-	103,723.18	100,092.67
External sales	71,114.65	65,405.22	3,675.44	9,400.51	28,933.09	25,186.98	-	-	103,723.18	99,992.67
Less: Eliminations	-	-	-	-	-	(100.00)	-	-	-	(100.00)
Other operating income	-	-	1,562.71	1,945.55	-	-	-	-	1,562.71	1,945.55
Total Revenue	71,114.65	65,405.22	5,238.16	11,346.06	28,933.09	25,286.98	-	-	105,285.90	102,038.23
Result										
Segment result	10,233.13	8,935.56	3,255.53	5,325.78	1,242.90	1,932.68	-	-	14,731.56	16,193.97
Unallocated expenditure net of unallocated income							(6,237.20)	(5,199.60)	(6,237.20)	(5,199.60)
Operating profit							(6,237.20)	(5,199.60)	8,494.36	10,994.37
Interest expenses							(1,592.49)	(1,279.35)	(1,592.49)	(1,279.35)
Interest and dividend income							846.84	613.80	846.84	613.80
Income taxes							(953.72)	(376.97)	(953.72)	(376.97)
Profit after tax							(7,936.57)	(6,242.12)	6,794.99	9,951.85
Other information										
Segment assets	63,477.47	56,269.03	83,317.76	74,332.00	23,992.07	18,761.54	15,383.79	15,551.70	186,171.09	164,914.27
Segment liabilities	34,327.58	29,514.31	30,213.63	25,475.32	13,780.36	10,992.86	9,746.41	7,754.90	88,067.98	73,737.39
Capital expenditure	639.17	1,036.60	-	2,252.80	1,148.76	578.94	173.56	86.17	1,961.50	3,954.51
Depreciation and amortization	272.51	295.53	16.59	21.13	828.33	587.08	322.78	288.24	1,440.22	1,191.99

Notes :

- The business group/Segment comprise of the following

EPC	Construction of Residential, Commercial, Industrial and other constructions
Real Estate Development	Development of Residential, Hotel premises, Industrial park etc
Manufacturing&BMS	Manufacturing of clean room partition & Building Management System (BMS)
- Revenue and expenses have been identified to segment on the basis of nature of operations of segment. Revenue and expenses which relates to enterprises as whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- Segment assets and liabilities represents assets and liabilities in respective segments. Investments, Tax related assets and other assets and liabilities that cannot be allocated to segment on reasonable basis have been disclosed as "Unallocable"
- The Subsidiaries ,Jointventures and Associates have been included in segment classified as follows

EPC	Vascon Engineers Limited, Vascon EPC Limited, Vascon Saga Constructions LLP
Real Estate Development	Vascon Engineers Limited, Marvel Housing Private Limited, Vascon Value Homes Private Limited
	Almet Corporation Limited, Marathwada Realtors Private Limited
	Ajanta Enterprises, Phoenix Ventures, Mumbai Estate Private Limited
Manufacturing & BMS	GMP Technical Solutions Private limited, GMP Technical Servicers (FZE) & Creazoin Metal Products Private Limited



VASCON

Vascon Engineers Limited

CIN: L70100PN1986PLC175750

Registered and Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Pune-Nagar Road, Pune-411014.

E-mail: compliance.officer@vascon.com, **Website:** www.vascon.com

Tel No.: +91-20-30562200

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **39th Annual General Meeting** of Members of **Vascon Engineers Limited** (the Company') will be held on Friday, 20th September 2024 at 11.30 a.m. at Royal Orchid Golden Suites, Golden Nest, Opp. Cerebrum IT Park, Kalyani Nagar Pune-411014 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the report of Auditors' thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolutions as an **Ordinary Resolutions**:
 - a. **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members be and is hereby considered and adopted".
 - b. **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon, as circulated to the members be and is hereby considered and adopted".

2. To reappoint Mr. Siddharth Moorthy (DIN: 02504124), who retires by rotation and in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Siddharth Moorthy (DIN: 02504124), who retires by rotation at this meeting, and being eligible offers himself for re-appointment be and is hereby appointed as Director of the Company."

3. **RE-APPOINTMENT OF M/S SHARP & TANNAN ASSOCIATES, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS OF THE COMPANY:**

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of Audit Committee and the Board of Directors of the Company, M/s Sharp & Tannan Associates, Chartered Accountants (Registration No. 109983W), be and are hereby re-appointed as the Statutory Auditors of the Company for the second term of 5 (five) consecutive years from the conclusion of the 39th Annual General Meeting (AGM) to be held in the year 2024 until the conclusion of the 44th AGM of the Company to be held in the year 2029, for the audit period (01.04.2024 to 31.03.2029), at such remuneration as shall be fixed by the Board of Directors of the Company."

4. **TO CONFIRM THE PAYMENT OF INTERIM DIVIDEND OF RE.0.25/- PER EQUITY SHARE OF FACE VALUE OF RE. 10/- EACH AS FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024:**

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

"RESOLVED THAT an interim dividend of Rs.0.25 per equity share of Rs.10/- on the paid-up equity share capital of the Company declared by the Board of Directors on August 08, 2023 on 21,73,17,111 equity shares of Rs.10/- each absorbing in aggregate Rs.54329277.75/- already paid out of the profits of the Company be and is hereby confirmed and declared as final dividend for the financial year ended 31st March 2024."

SPECIAL BUSINESS:

5. **RATIFICATION OF REMUNERATION OF COST AUDITOR FOR FINANCIAL YEAR 2024-2025:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2025, be and is hereby ratified.”

6. VARIATION OF TERMS OF VASCON ENGINEERS LIMITED EMPLOYEES STOCK OPTION SCHEME 2020 (ESOS 2020)-CHANGE IN VESTING SCHEDULE OF OUTSTANDING STOCK OPTIONS TO BE GRANTED TO EMPLOYEES WHO ARE ENTITLED TO PARTICIPATE IN THE SCHEME:

To consider and if thought fit, to pass, with or without modification the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, Regulation 7 and other applicable regulation of Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”), as amended from time to time, and subject to other applicable laws, if any, for the time being in force, Vascon Engineers Limited Employees Stock Option Scheme, 2020 (“ESOS 2020” or “the Scheme”) and subject to such other consent, approval, permission, as may be required, consent and approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein referred to as ‘the Board’ which term shall include Nomination and Remuneration Committee of the Board or any other Committee which the Board may constitute to exercise its power) to vary the terms of ESOS 2020 by changing the vesting schedule from 4 years to 1 year from the date of grant of such options, in respect of all options which may become available for grant and/or options pending to be granted respectively and the draft ESOS Plan with such variation be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be required, with powers to settle all questions, difficulties or doubts that may arise in regard to the said variation as the Board may in its sole and absolute discretion deem fit and delegate all or any of its powers herein conferred to any Director(s) or Officer(s) of the Company to give effect to the foregoing resolution, including but not limited to amending/varying ESOS 2020, making any filings with the stock exchanges and/or applicable regulatory authorities, if required, as it may deem it necessary or desirable.

RESOLVED FURTHER THAT the terms of amendments/ variation to the ESOS-2020 are not prejudicial to the interests of the Option Holders/ Employees.

RESOLVED FURTHER THAT for giving effect to this resolution, Mr. Siddharth Vasudevan Moorthy, Managing Director, Dr. Santosh Sundararajan, Whole Time Director and Group CEO or Ms. Neelam Pipada, Company Secretary & Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds and things as he/she, in his/her absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the said variation of terms of Options, issuance and allotment of Equity Shares on exercise of such Options etc.”

Registered and Corporate Office

Vascon Weikfield Chambers,
Behind Hotel Novotel, Opposite Hyatt Hotel,
Pune - Nagar Road, Pune-411014.
Tel: +91 (20) 30562 100/ 200
Fax: +91 +91 20 30562600.

By order of the Board of Directors
For **Vascon Engineers Limited**

Neelam Pipada
Company Secretary and Compliance Officer
M No. ACS31721

Place: Pune

Date: August 14 2024

NOTES AND SHAREHOLDERS' INFORMATION:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Item No. 2 to 6 which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details of directors seeking re-appointment, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, at this Annual General Meeting (“AGM”) is also given as annexure to this notice.

2. APPOINTMENT OF PROXY:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER. Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not

VASCON ENGINEERS LIMITED

exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

Proxies, in order to be effective, must be received at the Registered and Corporate office of the Company at Vascon Weikfield Chambers, Behind Hotel Novotel, Opposite Hyatt Hotel, Pune Nagar Road, Pune - 411014 not later than forty eight hours before the commencement of the AGM. members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company. i.e. by 11.30 a.m. on Wednesday, September 18, 2024

An instrument appointing proxy is valid only if it is properly stamped as per the applicable law, blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled will be considered as invalid. If the Company receives multiple proxies for the 11.30 a.m. holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.

A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.

3. DISPATCH OF AGM NOTICE AND INTEGRATED ANNUAL REPORT THROUGH ELECTRONIC MODE:

In line with the MCA Circular No. 09/2023 dated September 25, 2023 (In continuation with the Circulars issued earlier in this regard) and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 this Notice along with the Integrated Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Depository Participants/KFintech. Members may note that the Notice and Integrated Annual Report 2023-24 will also be available on the Company's website www.vascon.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFintech <https://www.kfintech.com>. Hard copy of the full Integrated Annual Report will be sent to the shareholders who request for the same.

The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e. date and time of AGM, venue of the AGM, availability of notice of AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses, and other matters as may be required.

Members can request for hard copy of the Annual Report by sending a request at compliance.officer@vascon.com.

4. PROCEDURE FOR REGISTRATION OF EMAIL ADDRESS BY SHAREHOLDERS:

- a. Members holding shares in demat form may validate/update their email address and other details with their respective Depository Participants.
- b. Members who have already registered their email addresses are requested to get their email addresses validated with their Depository Participants/ KFintech to enable servicing of notices / documents / Annual Reports electronically to their email address.

5. IMPORTANT INFORMATION FOR SHAREHOLDERS:

- a. SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. Members are requested to submit Form ISR-1/SH-13 or ISR-3, as may be applicable, duly filled and signed along with self-attested copy of the PAN card and such other documents as prescribed in the Forms, to register or update:
 - i. PAN, KYC details and nomination.
 - ii. E-mail address to receive communication through electronic means.
- b. The said forms are available on the website of the Company at <https://www.vascon.com/investors/services/DownloadableForms.aspx#> and on the website of KFin at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>
- c. Members have an option to submit duly filled Forms in person at any of the branches of KFin, details of which are available at <https://www.kfintech.com/contact-us/> or submit e-signed form online along with requisite documents by accessing the link <https://kprism.kfintech.com/> or original copy of physical forms can be sent through post or courier at following address: KFin Technologies Ltd. Unit: Vascon Engineers Limited Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi Telangana-500 032 Toll free no.: 1800 309 4001.
- d. To mitigate unintended challenges on account of freezing of folios, SEBI vide its circular dated 17 November 2023, has done away with the provision regarding freezing of folios and referral of the frozen folio to administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, not having PAN, KYC, and nomination details.

- e. Members holding shares in dematerialised mode, who have not registered/updated their PAN, KYC details and nomination are requested to register/update the same with the respective DPs.

6. INSPECTION OF DOCUMENTS:

During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company provided that not less than three days of Notice in writing is given to the Company.

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, The Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act, The relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All shareholders will be able to inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents may send an email request to compliance.officer@vascon.com. Additionally, all documents referred to in the accompanying Notice and the Explanatory Statement shall also be open for inspection at the Registered Office of the Company on all working days, (except Saturdays, Sundays and public holidays) between 11.00 a.m. and 5.00 p.m. up to the date of the Annual General Meeting.

7. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. KFin Technologies Limited having their office at Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

8. DIVIDEND:

The Board of Directors at its meeting held on August 08, 2023 had declared an interim dividend @ 0.25% on the Paid up equity Share capital of the Company which was paid on 6th September, 2023.

9. INVESTOR EDUCATION AND PROTECTION FUND (IEPF) RELATED INFORMATION

- a. The Company has transferred the unclaimed/unpaid dividend to the Investor Education and Protection Fund ("IEPF") established by Central Government. Details of Dividends so far transferred to the IEPF Authority are available on the website of IEPF Authority and the same can be accessed through the link www.iepf.gov.in.
- b. The details of unpaid and unclaimed dividends lying with the Company as on March 31, 2024 are uploaded on the website of the Company and can be accessed through the link www.vascon.com.
- c. Adhering to various requirements set out in Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended the Company has during Financial Year 2018-19, transferred to IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on due date November 15, 2018. Details of shares so far transferred are available on the website of the Company and the same can be accessed through the link: www.vascon.com.
- d. The said details were uploaded on the website of IEPF Authority www.iepf.gov.in.
- e. **Members/Investors whose shares, unclaimed dividend has been transferred to the IEPF may claim the shares or apply for refund as the case may be, to the IEPF authority by making an electronic application in e-form IEPF-5 as detailed on the website of the Ministry of Corporate Affairs at the weblink: <http://www.iepf.gov.in/IEPF/refund.html>**

- f. **SPECIAL WINDOW FACILITY FOR SHAREHOLDERS OF AGE 75 YEARS & ABOVE (SENIOR CITIZENS), FOR CLAIMING UNPAID/UNCLAIMED DIVIDEND & SHARES FROM IEPF AUTHORITY**

Ministry of Corporate Affairs (MCA), IEPF Authority vide its notification No. F.No. AKAM/Senior-Citizen/Special Window dated June 07, 2022 has launched a 'Special Window Facility' for senior citizens of age 75 years & above ('Senior Citizen Members/Claimants') to auto-prioritize the requests in IEPF-5 for claiming unpaid/unclaimed dividend and shares from IEPF. For facilitating such claimants, IEPF Authority has established a dedicated telephone number 011-23441727 and E-mail ID – seniorcitizen.iepfa@mca.gov.in

Senior Citizens can e-mail the details of their application in e-form IEPF-5 on Company's dedicated e-mail ID compliance.officer@vascon.com after sending the physical documents to the Company/ or its RTA. The Company shall prioritise the processing of such applications.

10. INVESTOR QUERIES AND GRIEVANCE REDRESSAL:

The Company has designated an exclusive e-mail id viz. compliance.officer@vascon.com to enable Investors to register their grievances, if any.

VASCON ENGINEERS LIMITED

Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Friday, September 13, 2024 through email on compliance.officer@vascon.com. The same will be replied by the Company suitably.

Members may note that in case they have any dispute against the Company and/or its Registrar and Share Transfer Agent regarding delay or default in processing any request, as per SEBI Circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, they can file for arbitration with the Stock Exchange.

For more details, please see the following weblinks of the Stock Exchanges:

BSE: https://www.bseindia.com/static/investors/arbitration_mechanism.aspx

NSE: <https://www.nseindia.com/invest/about-arbitration>

11. INFORMATION REGARDING SCRUTINIZER AND DECLARATION OF VOTING RESULTS

The Company has appointed Ms. Savita Jyoti of M/s Savita Jyoti Associates, Practicing Company Secretaries, (Membership No. 3738, COP No.1796), to act as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

Based on the report received from the Scrutinizer, the Company will submit details of the voting results within two working days to the stock exchanges as required under Regulation 44(3) of the Listing Regulations. The results declared alongwith the Scrutinizer's report, will be hosted on the website of the Company <https://www.vascon.com/investors/services> and on the website of KFinTech at <https://evoting.kfintech.com/login.aspx> and will be displayed on the Notice Board of the Company at its Registered Office as well as Corporate Office immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

12. INSTRUCTIONS FOR MEMBERS/PROXIES:

- a. Members/proxies are requested to bring the attendance slip duly filled and signed along with the identity proof at the meeting for the purpose of identification.
- b. Route map for directions to the venue of the meeting is provided in this Notice and is also available on the website of the Company at <https://www.vascon.com/Investor/AnnualReports>.
- c. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/ demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the KFin/Company. Members are requested to keep the same updated.
- d. In case of joint holders attending the meeting, only such joint holder whose name appears first in the order of names will be entitled to vote at the meeting.
- e. In case a person becomes a member of the Company after dispatch of AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Friday September 13, 2024 (end of day), such member may obtain the user ID and password from KFin by sending request on evoting@kfintech.com from registered e-mail ID. In case the e-mail ID is not registered, such members, subject to procedure listed herein, may obtain the necessary details.
- f. Members requested to quote their folio numbers/ Client ID and DP ID in all correspondence;
- g. Members can request for hard copy of the Annual Report by sending a request at compliance.officer@vascon.com

13. GENERAL INFORMATION:

- a. A Statement setting out material facts pursuant to the provisions of section 102(1) of the Act, in respect of special business set out at Item No. 5 & 6 of the Notice is annexed hereto.
- b. Institutional/Corporate shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/ jpg format) of its board or governing body's resolution/authorisation, etc., authorising their representative to attend the AGM on its behalf and to vote through remote e-voting. The said resolution/authorisation shall be sent to the scrutiner by e-mail through its registered e-mail address to savitajyotiassociates05@gmail.com and savitajyoti@yahoo.com
- c. Brief resume of the Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) and Secretarial Standard 2 are provided under Annexure-A.
- d. The Members are requested to send their queries, if any, at least seven days in advance at the registered office address, so that the information can be made available at the AGM, subject to permission of the Chairman.

- e. Sections 101 and 136 of the Act, read together with the rules made thereunder, permit the listed companies to send the Notice of AGM and the Annual Report, including financial statements, Directors' Report, etc., by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their e-mail addresses with their respective depository participants or with KFin.
- f. Members may note that Annual Report 2023-24 and Notice along with proxy form and attendance slip will also be available on the Company's website at <https://www.Vascon.com/Investor/AnnualReports> website of the Stock Exchanges i.e. BSE Ltd. at www.bseindia.com and National Stock Exchange of India Ltd. at www.nseindia.com and on the website of KFin at <https://evoting.kfintech.com>. The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e. date and time of AGM, venue of the AGM.
- g. For members who have not registered their e-mail address, physical copy of Annual Report along with Notice of AGM, proxy form and attendance slip (inclusive remote e-voting credential) are sent at their registered address available with Company/KFin.
- h. Members attending the AGM in person shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

14. E-VOTING:

The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard 2 on General Meetings and Regulation 44 of the Listing Regulations, the Company is pleased to offer the facility of voting through electronic means. The said facility of casting the votes by the members using electronic means will be provided by Kfin Technologies Limited.

A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of Friday, September 13, 2024 shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Persons who are not members as on the cut-off date should treat this Notice for information purposes only.

The members who have cast their vote through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on Monday, September 16, 2024 at 9.00 A.M and ends on Thursday, September 19, 2024 at 05.00 P.M. IST. During this period, members of the Company holding shares either in physical or dematerialised form, as on the cut-off date of Friday, September 13, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Kfintech for voting thereafter.

The venue e-voting window shall be activated upon instructions of the Chairman during the AGM proceedings.

Only those shareholders, who are present in the AGM and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

Member(s), whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 13, 2024, are entitled to vote on the Resolutions set forth in this Notice. Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and becomes a member of the Company after the notice is sent through e-mail and continues to hold shares as of the cut-off date i.e. of Friday, September 13, 2024, may obtain the login ID and password by sending a request at einward.ris@kfintech.com or the Company at compliance.officer@vascon.com or follow the steps mentioned under "Access to Kfintech e-voting system". However, if you are already registered with Kfintech for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on <https://evoting.kfintech.com/login.aspx> or call on toll free nos. 1800 425 8998 and 1800 345 4001.

Members are requested to follow the instructions given in this Notice to cast their votes through e-voting.

Members may obtain the User ID and Password in the following manner-

- a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS:

MYEPWD <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

VASCON ENGINEERS LIMITED

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

- b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call KFin Technologies's toll free number 1800-309-4001 (from 9.00 a.m. to 5.00 p.m.) for technical issues or write to them at evoting@kfintech.com
- d. Member may send an e-mail request to evoting@kfintech.com. However, KFintech shall endeavor to send User ID and Password to those new Members whose e-mail IDs are available.
- e. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or contact Rajitha Cholleti, Vice President- Corporate Registry, KFin Technologies Limited rajitha.cholleti@kfintech.com or at the email ID: evoting@kfintech.com or call Toll Free No.: 1800-309-4001 for further clarifications.

15. PROCEDURE FOR REMOTE E-VOTING

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the provisions of Regulation 44 of the SEBI Listing Regulations and MCA Circulars, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFintech on all Resolutions set forth in this Notice, through remote e-voting. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility.

Day, date and time of Commencement of remote e-voting	From: Monday, September 16, 2024 at 9.00 A.M (IST)
Day, date and time of end of remote e-voting beyond which remote e-voting will not be allowed	To: Thursday, September 19, 2024 at 05.00 P.M. (IST)

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by KFintech upon expiry of the aforesaid period. Once the vote on a Resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

The process and manner for remote e-voting are explained below:

- i. The details of the process and manner for remote e-Voting and e-EGM are explained herein below:
 - Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
 - Step 3: Access to join virtual meetings (e-EGM) of the Company on KFintech system to participate e-EGM and vote at the EGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> i. Visit URL: https://eservices.nsdl.com ii. Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” iv. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> i. To register click on link : https://eservices.nsdl.com ii. Select “Register Online for IDeAS” or click at: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Proceed with completing the required fields. iv. Follow steps given in points 1 3. Alternatively by directly accessing the e-Voting website of NSDL <ol style="list-style-type: none"> i. Open URL: https://www.evoting.nsdl.com/ ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will requested to select the name of the company and the e- Voting Service Provider name, i.e. KFintech. v. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholder login through their demat accounts / Website of Depository Participant	<p>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</p> <p>II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e- Voting period without any further authentication.</p>
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Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022 – 48867000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual’s shareholders holding securities of the Company in demat mode and shareholders holding securities in physical mode:

A. Members whose email IDs are registered with the Company/ Depository Participant(s), will receive an email from KFintech which will include details of E-Voting Event Number (8317), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 8189, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on “LOGIN”.
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the “EVEN” i.e., ‘Vascon Engineers Limited - AGM’ and click on “Submit”
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on “Submit”.

- xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the EGM through VC / OAVM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id savitajyoti@yahoo.com and/or savitajyotiassociates05@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above- mentioned documents should be in the naming format “Corporate Name_EvenNo.”

i. In case of a Member whose email IDs are not registered /updated with the Company/KFintech / Depository Participants(s):

- a. Members holding shares in dematerialized mode who have not registered /updated their email addresses with their Depository Participants are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.
- b. After due verification, KFintech will forward your login credentials to your registered email address.

Members can also update their mobile number and e-mail address in the “user profile details” in their e-voting login on <https://evoting.kfintech.com> which may be used for sending further communication(s).

- 16.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

17. TRANSFER AND TRANSMISSION OF SHARES

- I. Mandatory processing of Transfer & Transmission request in Demat form: As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has with effect from 24th January, 2022 mandated form while processing service request for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission, transposition, etc. In view of the above and to eliminate the risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to convert their holdings to dematerialised form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of KFintech to seek guidance with respect to the demat procedure. Members may also visit the website of depositories viz. National Securities Depository Limited: <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited: <https://www.cdslindia.com/investors/open-demat.html> for further understanding the demat procedure.
- II. Simplified Procedure for transmission of securities and Issuance of Duplicate Share certificates: SEBI vide its Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated 18th May, 2022 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated 25th May, 2022 has simplified the procedure and standardized the format of documents for transmission of securities and issuance of duplicate securities certificates. Members are requested to submit their requests, if any, along with documents as per the said circular.

18. GREEN INITIATIVE -REQUEST TO PROVIDE/UPDATE EMAIL ADDRESS

Members are requested to support the Green Initiative by registering/ updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form) or with KFintech (in case of Shares held in physical form).

By Order of the Board of Directors
For **Vascon Engineers Limited**

Place: Pune
Date: August 14, 2024

Neelam Pipada
Company Secretary and Compliance Officer
M No. ACS 31721

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under items 3, 5 & 6 of the accompanying Notice dated August 14, 2024

Item No. 3

Reappointment of Statutory Auditors

This Explanatory Statement is in terms of Regulation 36(5) of the 'SEBI Listing Regulations', though statutorily not required in terms of Section 102 of the Act.

The Members at the 34th Annual General Meeting ('AGM') of the Company, had approved appointment of M/s. M/s Sharp & Tannan Associates, Chartered Accountants (Registration No. 109983W), as the Statutory Auditors of the Company to hold office from the conclusion of the 34th AGM till the conclusion of the 39th AGM of the Company to be held in the year 2024.

After evaluating and considering various factors such as rotation of the audit firm, listed status of the Company, industry experience, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the appointment of M/s Sharp & Tannan Associates, as the Statutory Auditors of the Company, for the second term of five years from the conclusion of 39th AGM to be held in the year 2024 till the conclusion of 44th AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s Sharp & Tannan Associates have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

M/s. Sharp & Tannan Associates, is a Chartered Accountant firm having strong presence in major cities of the country. It is engaged in statutory audits of some of the large companies in various sectors and has an all india strength of more than 500, headed by 20+ partners or equivalent.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible nonaudit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board of Directors recommend the resolution as set out at Item No. 3 of this Notice to the Members for their consideration and approval, by way of an Ordinary Resolution.

Item No. 5

In accordance with the provisions of Section 148 of the Companies Act and Company (Audit and Auditors) Rules, 2014 as amended from time to time, the Company is required to appoint a cost auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, Board of Directors have approved appointment of Ms. Varsha Limaye, Cost Accountant as Cost auditor of the Company for the F.Y. 2024-25 at a remuneration of Rs. 250,000/- (Rupees Two Lakhs Fifty Thousand Only) plus applicable tax. The remuneration of cost auditor is required to be ratified by the members subsequently in accordance with the provisions of the Act and Rules.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2025 by passing an Ordinary Resolution as set out at Item No. 5 of this Notice

The Board recommends the Resolution at Item No.5 for approval by the Members.

Item No. 6

With the objective of attracting, motivating, rewarding and retaining employees of the Company for their high levels of individual performance and for their efforts to improve the financial performance and their loyalty to the Company, your Company had instituted Employees Stock Option Scheme - 2020 (ESOS - 2020) pursuant to the special resolution passed by the Shareholders in Extra-Ordinary General Meeting held on September 08, 2020. The Company had granted 1,60,00,000 shares to its employees under the Scheme. Out of the same, 25,20,000 options are vested and exercised by the employees.

It is proposed that, from the options which may become available for fresh grant due to lapse of any options granted for any reason whatsoever, the vesting period/vesting schedule be revised from the existing vesting schedule of 25%, 25%, 25% and 25% on completion of 1(one) year, 2(Two) years, 3(Three) years and 4(Four) years respectively to vesting of 100 % options after 1(one)

year of grant of options. The Board at the recommendation of the Nomination and Remuneration committee of the Board has considered it prudent to change the vesting schedule to benefit the employees.

There will not be any change or modification in the exercise period/schedule or any other term of the scheme except for vesting schedule/period.

The proposed modification/change in vesting schedule would be beneficial to all employees who are entitled to participate under the Scheme and such modification/change is not detrimental to the interest of the employees and is in accordance with the Acts, Regulations and Guidelines issued by Relevant Authority, including the Securities and Exchange Board of India.

All other terms and conditions applicable for the grant of options, as prescribed under ESOS 2020, shall remain unchanged except for the modification/change in vesting schedule/period as stated above. The proposed modification/change in vesting schedule will be in compliance of SEBI Regulations and would be beneficial for the employees.

The Company shall comply with the accounting policies specified in the requirements including the disclosure requirements of the Accounting Standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including any guidance note on accounting for employees share based payments ('Guidance Note') or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including disclosure requirements prescribed therein.

The Board of Directors recommends the special resolution set forth as Item No.6 for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are interested or concerned in the resolution, except to the extent of their entitlements, if any, under the aforementioned ESOS 2020 or any options that may be granted to them under ESOS 2020

Registered and Corporate Office

Vascon Weikfield Chambers,
Behind Hotel Novotel, Opposite Hyatt Hotel,
Pune - Nagar Road, Pune-411014.
Tel: +91 (20) 30562 100/ 200
Fax: +91 +91 20 30562600.

By order of the Board of Directors
For **Vascon Engineers Limited**

Neelam Pipada
Company Secretary and Compliance Officer
M No. ACS31721

Place: Pune

Date: August 14 2024

ANNEXURE TO NOTICE OF AGM

ITEM NO. 2

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting:

Additional information on Director seeking appointment pursuant to inter-alia Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General meeting (SS-2):

Name of the Director	Mr. Siddharth Vasudevan Moorthy
Designation	Managing Director
DIN	02504124
Date of Birth	December 20, 1985
Age	38 years
Nationality	Indian
Qualification	Diploma (Civil), Bachelor in Applied Science (Construction Management) and Master in Business Administration

VASCON ENGINEERS LIMITED

Brief Profile including nature of expertise in specific functional areas	<p>Siddharth Vasudevan Moorthy is a Diploma Holder from Pune University. He has completed his Graduation in Bachelor of Applied Science in Construction Management with Honors from Singapore Institute of Management and Royal Melbourne Institute of Technology. He has also completed his certificate course in Negotiations and Disruptive innovation from Harvard University. He has also completed his Executive Master of Business Administration (MBA) from Washington University and IIT-Bombay.</p> <p>With his meticulous approach and enhanced experience of more than fifteen years in the areas of Project Execution, Quality, Technology, Process IT, Customer Relationship Management, Engineering Design and many other facets of has spearheaded the organizational growth. His steady work conviction & vision continues to drive the organization into a leadership position in the real estate and construction business. He has been re-appointed as Managing Director on the Board of our Company since April 01, 2023.</p> <p>He has been conferred with many awards.</p>
Terms and Conditions of appointment/re-appointment alongwith details of Remuneration to be paid	Liablie to retire by Rotation
Remuneration last drawn	As approved by Shareholders through postal ballot on March 27, 2023
Remuneration sought to be paid	There is no change in the remuneration
Date of First appointment on the board	March 29, 2018
Relationship with other directors / Key Managerial Personnel	Mr Siddharth Vasudevan Moorthy is the brother of Mrs. Sowmya Aditya Iyer
No. of Board meetings attended during FY 2023-24*	8 meetings out of 8 meetings
Board membership of other listed companies as on March 31, 2024	Not Applicable
Membership/ Chairmanship of the Committees of other Board as on date of dispatch of this notice**	
Audit Committee	Vascon Engineers Limited, Member
Stakeholder Relationship Committee	Vascon Engineers Limited, Member
Corporate Social Responsibility Committee	Vascon Engineers Limited, Chairman
No. of Equity shares held	41,64,953 Equity Shares

****The Directorship, Committee Memberships and Chairmanships do not include position in foreign companies, unlisted companies, private companies, position as an advisory board member, and position in companies under Section 8 of Companies Act, 2013**



VASCON

Vascon Engineers Limited

Registered and Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Nagar Road, Pune-411014.

Tel No.: +91 20 3056 2200, **Fax No.:** +91 20 30562600.

Contact Person: Ms. Neelam Pipada, Company Secretary and Compliance Officer

E-mail: compliance.officer@vascon.com, **Website:** www.vascon.com.

Corporate Identity Number: L70100PN1986PLC175750

ATTENDANCE SLIP

Folio No./DP ID and Client ID:	
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No. of Shares:	
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Name and address of First/Sole Member:

I, hereby record my presence at the 39th Annual General Meeting of the Company to be held on Friday, 20th September 2024, 11:30 a.m. at Royal Orchid Golden Suites, Golden Nest, Opp. Cerebrum IT Park, Kalyani Nagar Pune - 411014

Name of the Member/Proxy

(Block Letters)

Signature of the Member/Proxy

Notes:

- a. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting
- b. Member/Proxy who wish to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- c. Member/Proxy should bring his/her copy of the Annual Report for reference at the meeting.

VASCON ENGINEERS LIMITED



VASCON

Vascon Engineers Limited

Registered and Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel, Opposite Hyatt Hotel, Nagar Road, Pune-411014.

Tel No.: +91 20 3056 2200, **Fax No.:** +91 20 30562600, **E-mail:** compliance.officer@vascon.com, **Website:** www.vascon.com.

Contact Person: Ms. Neelam Pipada, Company Secretary and Compliance Officer

Corporate Identity Number: L70100PN1986PLC175750

Form No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Day, Date & Time : Friday, September 20, 2024 at 11:30 a.m.

Venue of the Meeting: Royal Orchid Golden Suites, Golden Nest, Opp. Cerebrum IT Park, Kalyani Nagar Pune-411014

Please fill attendance slip and hand it over at the entrance of the meeting venue

Name	
Registered Address	
Email ID	
DP ID*	
Client ID*	
Folio No	

*Applicable for investors holding shares in Electronic form.

I/We, being the member(s) of Vascon Engineers Limited, as my/our Proxy to attend vote (for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held on _____ at _____ pm and at any adjournment thereof) in respect of such resolutions as are indicated below;

1) _____ of _____ having e-mail id _____ or failing him

2) _____ of _____ having e-mail id _____ or failing him

3) _____ of _____ having e-mail id _____ or failing him

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Affix
Revenue
Stamp

Signature of Member

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Sr. No.	Resolutions	No. of Shares Held	For	Against	Abstain
1.	Consider and adopt: a. Audited Financial Statement, Reports of the Board of Directors and Auditors b. Audited Consolidated Financial Statement, Reports of the Board of Directors and Auditors				
2.	Re-appointment of Mr. Siddharth Vasudevan Moorthy (DIN: 02504124), who retires by rotation, and being eligible offers himself for re-appointment.				
3.	Re-Appointment Of M/s Sharp & Tannan Associates, Chartered Accountants as Statutory Auditors of the Company				
4.	To confirm the payment of interim dividend of Rs.0.25/- per equity share of face value of Rs. 10/- each as Final Dividend for the Financial Year ended March 31, 2024:				
SPECIAL BUSINESS:					
5.	Ratification of remuneration of Cost Auditor for Financial Year 2024-2025				
6.	Variation of terms of Vascon Engineers Limited Employees stock option Scheme 2020 (ESOS 2020)-change in vesting schedule of outstanding stock options to be granted to employees who are entitled to participate in the scheme to amend in variation of terms in ESOS-2020 scheme for unexercised options				

** This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

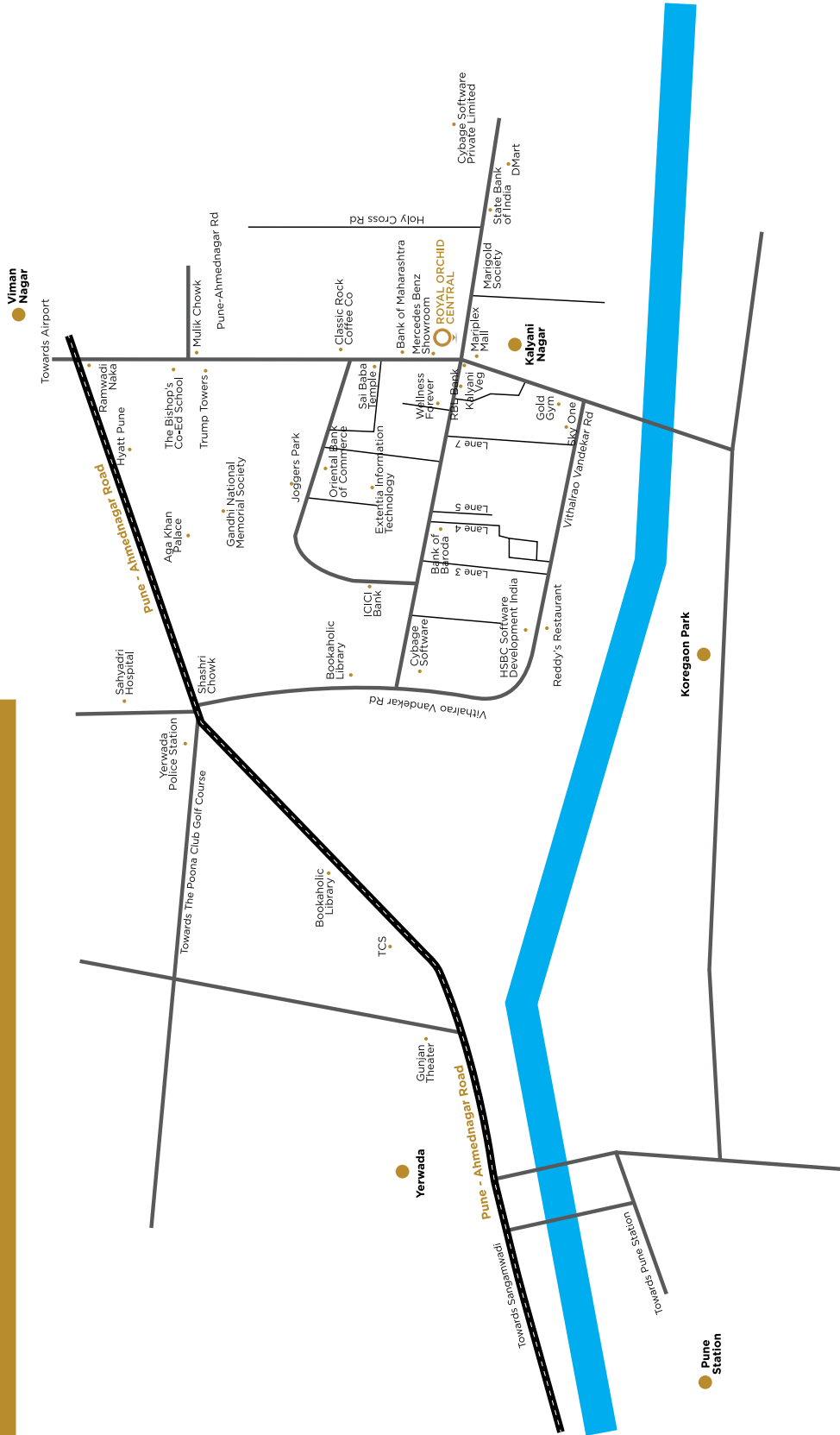
Signature (s) of Member(s)

Notes:

- The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- The form of Proxy confers authority to demand or join in demanding a poll.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
- In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.
- Appointing a proxy doesn't prevent a member from attending a meeting in person if he/she wishes. When a member appoints a proxy and both member and proxy attend the meeting, proxy will stand automatically revoked.
- Undated proxy forms will not be considered.

MAP: AGM VENUE

MonarcO Hall, Royal Orchid Hotels, Opp. Cerebrum IT Park, Kalyaninagar, Pune - 411 014
Tuesday, 26th September, 2023 at 10:30 am (IST)





VASCON

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