



VASCON

February 08, 2022

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: Financial Results for the Quarter ended December 31, 2021.

Dear Sir/ Madam,

The Board of Directors of Vascon Engineers Limited, in their meeting commenced at 1130 hours and concluded at 1305 hours on February 08, 2022 have discussed and approved the following:

1. Approved and taken on record Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended December 31, 2021 as per the format prescribed under Regulation 33 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') along with limited review report from Statutory Auditors. (As enclosed).

This is for your information and records.

You are requested to take the above intimation on record.

For **Vascon Engineers Limited**

Vibhuti Dani
Company Secretary and Compliance Officer



Encl: As above

VASCON ENGINEERS LTD.

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CIN: L70100PN1986PLC175750

Sharp & Tannan Associates

Chartered Accountants

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Independent Auditor's Limited Review Report on Standalone Unaudited Financial results of VASCON ENGINEERS LIMITED for the quarter and nine months ended on December 31, 2021, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
VASCON ENGINEERS LIMITED
(CIN: L70100PN1986PLC175750)
Pune 411 014.

Introduction

1. We have reviewed the accompanying statement of Unaudited Standalone Financial results of VASCON ENGINEERS LIMITED ("the Company") for the quarter and nine months ended December 31, 2021, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on February 8, 2022, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended ("the Act"), read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 as prescribed under section 133 of the Act and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of Matter

5. We draw attention to the Note No. 4 to the financial results which describes that the Company has recognised effect on financial assets to reflect the business impact and uncertainties arising from the Covid-19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from full impact of the Covid-19 pandemic.

Our conclusion is not modified in respect of the above emphasis of matter.



Sharp & Tannan Associates
Chartered Accountants
Firm's Reg. No.: 0109983W
by the hand of

A handwritten signature in blue ink, appearing to read "Tirtharaj Khot".

CA Tirtharaj Khot
Partner

Membership No.: (F) 037457

UDIN: 22037457AAUDRQ3838

Pune, February 8, 2022

Sharp & Tannan Associates

Chartered Accountants

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Independent Auditor's Limited Review report on Consolidated Unaudited Financial results of VASCON ENGINEERS LIMITED for the quarter and nine months ended on December 31, 2021, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
VASCON ENGINEERS LIMITED
(CIN: L70100PN1986PLC175750)
Pune 411 014

Introduction

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial results of the **VASCON ENGINEERS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/(loss) in its associates and joint ventures for the quarter and nine months ended on December 31, 2021, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. The Statement, which is the responsibility of the Holding company's Management and approved by the Parent's Board of Directors on February 8, 2022 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, ("the Act") as amended, read with rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE)2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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



4. 'The Statement' includes the results of the entities mentioned below:

Sr. No.	Name of the related party	Nature of relationship
1.	Vascon Engineers Limited	Holding Company
2.	GMP Technical Solutions Private Limited	Subsidiary Company
3.	Marvel Housing Private Limited	Subsidiary Company
4.	Almet Corporation Limited	Subsidiary Company
5.	Marathwada Realtors Private Limited	Subsidiary Company
6.	Vascon Value Homes Private Limited	Subsidiary Company
7.	Rivershore Developers Private Limited	Subsidiary Company
8.	GMP Technical Solutions Middle East (FZE) (In process of Winding-up)	Step Down Subsidiary
9.	Phoenix Venture	Joint Venture
10.	Ajanta Enterprises	Joint Venture
11.	Cosmos Premises Private Limited (Sold during the quarter)	Joint Venture
12.	Vascon Saga Construction LLP	Joint Venture
13.	Vascon Qatar WLL	Joint Venture
14.	Mumbai Estates Private Limited	Associate
15.	DCS Conventions and Hospitality Private Limited	Associate

Basis for Qualified Conclusion

5. *The consolidated financial statements include financial statements prepared and certified by the management in case of a Joint Venture whose group share of profit was of Rs. 527.95 Lakhs (recognized under Equity Method), which are not reviewed by their auditors. We were unable to carry out the procedures as mentioned in Regulation 33 (8) of the above SEBI regulations, which mandates that the 80% of the revenue, assets and profits have to be reviewed by the respective auditors. This review compliance of 80% is not met in the present instance.*

Qualified Conclusion

6. *Except for the possible effects of matter specified under "Basis for qualified conclusion", and based on our review conducted and procedures performed as stated in "Scope of review" paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34 as prescribed under section 133 of the Act and other recognised accounting practice and principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

Emphasis of Matter

7. *We draw attention to the Note No. 4 to the financial results which describes that the Group has recognised effect on financial assets to reflect the business impact and uncertainties arising from the Covid-19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from full impact of the Covid-19 pandemic.*



Our conclusion is not modified in respect of the above emphasis of matter.

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Other Matters

8. The consolidated financial results include interim financial results / information of certain operative entities consisting of five domestic subsidiaries, whose interim financial results / information reflect total revenues of Rs. 44.17 lakhs and of Rs. 227.99 lakhs for the quarter & nine months period ended December 31, 2021, total net loss after tax of Rs 77.19 lakhs & of Rs 82.34 lakhs and total comprehensive loss of Rs. 77.19 lakhs & of Rs 82.34 lakhs for the quarter & nine months period ended December 31, 2021, respectively. The consolidated financial results also include the Group's share of profit after tax of Rs. 0.03 lakhs & loss after tax Rs. 45.68 lakhs and total comprehensive profit of Rs. 0.03 & total comprehensive loss of Rs. 45.68 lakhs for the quarter & nine months period ended December 31, 2021, respectively, in respect of four joint ventures and two associates.

These financial statements / information in respect of above entities are not reviewed by their respective auditors and have been furnished to us by the Holding company's management and our opinion on the Consolidated Statement, in so far as it relates to the amounts and disclosures included in respect of these five domestic subsidiaries, four joint venture entities and two associates, is based solely on such unaudited financial information as certified by management. The Holding company's management has represented to us that these components are not material to the Group.

9. One foreign step-down subsidiary is non-operative entity and their financial information as of December 31, 2021, is unaudited. This financial information is provided by the Holding Company's management in whose opinion it is not material to the group.

Our conclusion is not modified in respect of these other matters.

Pune, February 8, 2022



Sharp & Tannan Associates
Chartered Accountants
Firm's Reg. No.: 0109983W
by the hand of

CA Tirtharaj Khot
Partner
Membership No.: (F) 037457

UDIN: 22037457AAUEIY8711

Vascon Engineers Limited

CIN: L70100PN1986PLC175750

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STATEMENT OF UNAUDITED CONSOLIDATED AND STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

(Rs in Lakhs)

Sr. No.	PARTICULARS	STANDALONE						CONSOLIDATED						
		Quarter Ended			Nine Months			Quarter Ended			Nine Months			Year Ended
		31st Dec, 2021	30th Sep, 2021	31st Dec, 2020	31st Dec, 2021	31st Dec, 2020	31st March, 2021	31st Dec, 2021	30th Sep, 2021	31st Dec, 2020	31st Dec, 2021	31st Dec, 2020	31st March, 2021	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Income													
	a) Revenue from Operations	12,161	11,782	10,174	31,449	22,344	35,723	17,062	15,287	15,462	43,511	31,747	50,688	
	b) Other Income	4,441	122	292	4,879	977	1,123	4,275	171	314	4,786	1,021	1,241	
	Total Income	16,602	11,904	10,466	36,328	23,321	36,846	21,337	15,458	15,776	48,297	32,768	51,929	
2	Expenses													
	a) Construction Expenses / Cost of materials consumed including cost of land	10,140	9,350	8,436	26,427	17,794	28,077	13,497	12,510	11,728	35,293	23,709	37,558	
	b) Purchase of stock- in- trade	-	-	-	-	-	1	-	-	-	-	-	1	
	c) Changes in inventories of finished goods, work in progress and stock in trade	417	72	(83)	(231)	1,657	2,780	301	(242)	(134)	(681)	1,422	2,690	
	d) Employee benefits expenses	808	966	929	3,102	2,521	3,390	1,627	1,733	1,634	5,462	4,462	5,857	
	e) Finance Cost	440	568	668	1,593	1,927	2,451	514	644	716	1,794	2,134	2,680	
	f) Depreciation and amortisation expenses	129	132	155	377	525	722	276	267	279	791	879	1,208	
	g) Other expenses	1,574	413	343	2,281	2,738	3,112	2,176	780	990	3,538	4,240	5,811	
	Total Expenses	13,508	11,501	10,448	33,549	27,162	40,533	18,391	15,692	15,213	46,197	36,846	55,805	
3	Profit / (Loss) from Operations	3,094	403	18	2,779	(3,841)	(3,687)	2,946	(234)	563	2,100	(4,078)	(3,876)	
4	Share of Profit / (Loss) from Joint Venture / Associates	-	-	-	-	-	-	(63)	655	(13)	517	(127)	(111)	
5	Profit / (Loss) before tax (3+4)	3,094	403	18	2,779	(3,841)	(3,687)	2,883	421	550	2,617	(4,205)	(3,987)	
6	Tax Expenses													
	Current tax (includes earlier year taxation)	-	61	-	61	-	-	12	79	-	107	-	-	
	Deferred Tax	-	-	-	-	-	-	-	-	20	-	78	41	
7	Net Profit/(Loss) after tax (5-6)	3,094	342	18	2,718	(3,841)	(3,687)	2,871	342	530	2,510	(4,283)	(4,028)	
8	Other Comprehensive Income (OCI)													
	Items that will not be reclassified to profit or loss (Net of tax)	(26)	(14)	1	25	(110)	(111)	(26)	(14)	-	25	(110)	(47)	
9	Total comprehensive income (7+8)	3,068	328	19	2,743	(3,951)	(3,798)	2,845	328	530	2,535	(4,393)	(4,075)	
10	Total comprehensive income for the quarter / half year / year attributable to:													
	Owners of the Company	3,068	328	19	2,743	(3,951)	(3,798)	2,841	325	446	2,521	(4,424)	(4,138)	
	Non controlling interests	-	-	-	-	-	-	4	3	84	14	31	63	
11	Paid-up Equity Share Capital (Face Value Rs. 10/- per share)	21,732	18,614	17,814	21,732	17,814	18,214	21,732	18,614	17,814	21,732	17,814	18,214	
12	Earnings Per Share (EPS) *													
	a) Basic EPS (in Rs.) (Not annualized)	1.44	0.19	0.01	1.40	(2.16)	(2.05)	1.34	0.19	0.25	1.29	(2.42)	(2.27)	
	b) Diluted EPS (in Rs.) (Not annualized)	1.44	0.19	0.01	1.40	(2.15)	(2.05)	1.34	0.19	0.25	1.29	(2.41)	(2.27)	
	* Basic and diluted EPS for all periods except for the year ended March 31, 2021 are not annualised													



Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on February 08, 2022.

2. These results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

3. The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI circular dated 5th July, 2016. The identification of operating segments is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker (CODM). The Company's Chief Operating Decision Maker (CODM) is CEO and Managing Director. Primary reporting business segments are as follows:

- a) Engineering, Procurement and Construction (EPC)
- b) Real Estate Development
- c) Manufacturing and BMS (Building Management System)

4. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

5. During the December Quarter Company has raised funds through preferential issue and allotment of shares to Group of Investors and Promoters by issuing 3,11,80,396 (Three Crore Eleven Lakhs Eighty Thousand Three Hundred and Ninety Six only) Equity Shares of the Company at an issue price of Rs. 22.45 per share on a preferential basis.

6. During the current quarter ended December 31, 2021, the Company has sold its stake in JV viz. Cosmos Premises Private Limited for a consideration of Rs. 4550 Lakhs. The Company had recognised profit on sale of Investment for Rs 4213 Lakhs. Also during the current quarter the Company has provided Rs 1100 Lakhs towards diminution in value in investment in the Subsidiaries viz. Almet Corporation Limited and Marathawada Realtors Private Limited.

7. The figures for the corresponding period / year have been regrouped and rearranged wherever necessary to make them comparable.

Place : Pune

Date: February 08, 2022



By Order of the Board of Directors

Siddharth Vasudevan

Siddharth Vasudevan
Managing Director

