VASCON

September 05, 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**

Dear Sir/Madam,

Subject: Notice of Annual General Meeting and Annual Report for Financial Year 2021-22

This is further to our letter dated August 29, 2022, where in the Company had informed that the 37th Annual General Meeting (AGM) of the Company is scheduled to be held on Wednesday, September 28, 2022 at 1130 hours in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

In terms of the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Notice of the ensuing 37th AGM of the Company and the Annual Report for the year ended March 31, 2022 as circulated to the shareholders through electronic mode today.

The said Notice and Annual Report are also placed on the Company's website at https://www.vascon.com/investors/annual-reports.

The Company has fixed Wednesday, September 21, 2022 as the cut-off date for the purpose of determining the members eligible to vote on all resolutions set out in the notice.

Brief Details about the 37th Annual General Meeting is as under:

Date and Time of AGM	Wednesday, 28th September, 2022 at 1130 hours
Mode	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
Web-link for participation through video conferencing	https://emeetings.kfintech.com
Cut-off date for e-voting	Wednesday, September 21, 2022
E-voting start date and time	Saturday, September 24, 2022 9:00 AM (IST)
E-voting end date and time	Tuesday, September 27, 2022 5:00 PM (IST)
E-voting website	https://evoting.kfintech.com https://www.evoting.nsdl.com https://www.cdslindia.com

This is for your information and records.

For **Vascon Engineers Limited**

Dani

Vibhuti Dani
Company Secretary and Compliance Officer

Vascon Engineers Ltd. PUNE

VASCON

PROVIDING GOLD CLASS LIVING

VASCON TULIPS GOLD, COIMBATORE

37TH ANNUAL REPORT

2021 - 22

VASCON

Vascon Engineers Limited

Contents of Annual Report

CORPORATE INFORMATION

Chairman Emeritus

Mr. Vasudevan Ramamoorthy

Board of Directors

Mr. Mukesh Satpal Malhotra
Chairman & Independent Director

Mr. V. Mohan (upto 05.11.2021)
Chairman and Independent Director

Mr. Siddharth Vasudevan Moorthy
Managing Director

Dr. Santosh Sundararajan (w.e.f. 31.05.2021)
Whole Time Director and Group Chief Executive Officer

Mrs. Sowmya Aditya Iyer
Non Executive Director

Mr. K.G. Krishnamurthy
Independent Director

Mr. Sankaramahalingam Balasubramanian (w.e.f. 26.11.2021)
Independent Director

Key Managerial Personnel

Dr. Santosh Sundararajan
Group Chief Executive Officer

Mrs. Vibhuti Darshin Dani
Company Secretary and Compliance Officer

Mr. Somnath Biswas
Chief Financial Officer

Committees of Board of Directors

Audit Committee

Mr. K. G. Krishnamurthy, Chairman (w.e.f. 26.11.2021)

Mr. Siddharth Vasudevan Moorthy, Member

Mr. Mukesh Malhotra, Member

Nomination & Remuneration Committee

Mr. K. G. Krishnamurthy, Chairman

Mrs. Sowmya Aditya Iyer, Member

Mr. Mukesh Malhotra, Member

Stakeholders Relationship Committee

Mr. K. G. Krishnamurthy, Chairman

Mr. Siddharth Vasudevan Moorthy, Member

Mr. Mukesh Malhotra, Member

Corporate Social Responsibility Committee

Mr. Siddharth Vasudevan Moorthy, Chairman (w.e.f. 31.05.2021)

Mrs. Sowmya Aditya Iyer, Member

Mr. Mukesh Malhotra, Member (w.e.f. 26.11.2021)

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
Sector 18, Everest Enclave,
Vrindavan Yogana - 4 Raibareli Road, Lucknow, UP - 226025

Chennai
No. 81, Manokaran Street, South Boag Road, T. Nagar, Chennai - 600017

Mumbai
Juni Navi Police Colony, Pimpleswar Mandir, Near Ambaji Dham Mandir, M.G Road, Mulund West - 400080

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

Coimbatore
SF. No. 555/1, Udayampalayam Road, Hindustan College Road, Sowripalayam, Coimbatore-641028

Registrar & Share Transfer Agents

Kfin Technologies Limited
(Previously known as Kfin Technologies Private Limited**)**
Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District
Nanakramguda, Hyderabad 500032, Telangana, India
Toll free no. 1800-309-40001
Email.: inword.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
Kotak India Real Estate Fund-IX
ICICI Home Finance Company Ltd
JM Financial Credit Solutions Ltd
SBICAP Trustees Company Ltd
CSB Bank Ltd
Aditya Birla Finance Limited

Legal Advisors

M/s. Hariani & Company

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 MESSAGE

Dear Members,

We have witnessed yet another unprecedented year that saw two waves of the Covid-19 pandemic, and a war cause widespread challenges and uncertainty. While the global populace and economy have been affected by these forces, India – to a certain extent – has been resilient and has been able to weather the storms well.

Economic Scenario & Growth Drivers

The Indian economy, driven in large part by the revival in sentiments and aided by an expansionary stance by the Government saw a strong growth rate in the past fiscal. Consequently, the economy posted a strong 8.7% growth in real GDP terms vis-à-vis a contraction in the previous financial year. The focus of the government on increasing expenditure on infrastructure as well as implementing the multiple housing and rural development programs also meant a real expansion of economic activity throughout the year.

The Union Budget 2022-23 clearly demarcated the role of the government with the intention of public investment acting as an impetus to boost private investment and demand. The Central Government's '*Effective Capital Expenditure*' is expected to be ₹ 10.68 lakh crore (US$ 142.77 billion), or around 4.1% of GDP. The seven engines, i.e. Roads, Railways, Airports, Ports, Mass Transportation, Waterways, and Logistics Infrastructure, for economic transformation, seamless multimodal connectivity, and logistical efficiency will be covered by the PM Gati Shakti National Master Plan.

These initiatives are expected to not only propel employment, but also drive growth and Your Company is well-poised to capitalise on the opportunities that will present itself over the forthcoming quarters.

Business Performance

In a challenging business and economic environment, Your Company delivered a strong performance as all stakeholders helped the business fire on all cylinders. Your Company embarks on a growth trajectory with the plan of Vascon 2.0. The Company's qualified personnel and relentless efforts have begun to yield results in the Company's performance. For any meaningful endeavour of expansion and growth, the key prerequisites are a strong financial base and a robust balance sheet. Your Company has been focusing its energies in the past few quarters on deleveraging its Balance Sheet through a combination of internal accruals as well as disposal of non-core assets, Your Company has generated positive cash flows, aided in part by the strong EPC business. Your Company has strengthened its balance sheet by repaying its high costs debt during the year, also reduced its debt by ₹ 98 Crores over the past two fiscal years with our total gross debt standing at ₹ 157 Crores as of March 2022 as against ₹ 255 Crores as on March 2020. Of this ₹ 98 crore, the Company repaid ₹ 75 crore in Fiscal 2022.

Your Company stands strong with focusing on accelerating the execution of order book supported by robust order intake, leading to better capacity utilisation and better margin in EPC business in near future. This is validated in the ratings upgrades 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 A3+.**

EPC Business: The core strength of your Company continues to be the EPC business that generated revenues of ₹ 413 crore with an EBITDA of ₹ 33 crore translating into a 8% margin. Some of the key projects that were executed were Maharashtra

State Police Housing, PWD Raipur, hospitals at Kaushambi and Bijnor. The order book of ₹ 1,832 crore underscores the confidence of our clients in our ability to deliver, with only ₹ 58 crore of our order book coming in from internal sources. The overall order book is 4.5-5x of our Fiscal 2022 revenues, providing strong visibility of growth.

Your Company's focus on improving the quality of the order book has resulted in over 85% of the order book currently comprising of government projects. This not only provides an added layer of security, but also reinforces the Company's execution capabilities.

Real Estate Business: Real Estate revenue stood at ₹ 50 crore in Fiscal 2022. Your Company's key projects - Forest Edge & Windermere Bungalow have been fully sold. The current focus would be on ensuring that unsold inventory will be liquidated, albeit with positive returns.

There are few upcoming projects in Fiscal 2023 which will have overall ticket size of ₹ 875 crore out of which Your Company will be sharing ₹ 530 crore out of the total sale of real estate segment. Your Company continues to take a conservative stand when launching new projects and will only choose to start new projects when conditions are favourable.

Subsidiary Performance: GMP continues to deliver sustainable performance with revenues of ₹ 194 crore in Fiscal 2022 and healthy gross margin of 33%. The EBITDA came in at ₹ 17 crore at a margin of 9%. Your Company will continue to focus on improving both the revenues as well as the efficacy of the business in the coming years.

Business Outlook

With a strong foundation being built, Your Company is committed to further strengthening its balance sheet, while focusing on increasing the business and executing projects on time. The strong and professional team that has been built has demonstrated its ability to work in challenging conditions. While Global conditions continue to be challenging, Your Company is confident of delivering strong growth based on the business outlook that it sees.

Conclusion

I would like to extend our sincere gratitude to our employees, our customers, partners and the Government for their contribution, directly and indirectly, to our growth.

I also thank all the shareholders and all stakeholders for their patience and continued support as the Company moves ahead.

Thank You

Siddharth Vasudevan Moorthy

REPORT OF BOARD OF DIRECTORS

Dear Members,

On behalf of the Board of Directors ('the Board'), it is our pleasure to present the 37th Annual Report of the Company alongwith the Audited financial Statements (standalone and consolidated) and Auditors Report for the Financial Year ended March 31, 2022.

CIRCULATION OF ANNUAL REPORTS IN ELECTRONIC FORM

Ministry of Corporate Affairs ("MCA") through Circulars dated May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 read with Securities and Exchange Board of India ("SEBI") Circulars SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, have provided an option to Companies to conduct Annual General Meeting ("AGM") through Video Conferencing or Other Audio-Visual Means (VC/OAVM") and send the financial statements including Directors Report, Auditors Report and other documents attached therewith through email. Accordingly, this report is being sent through electronic mode to those shareholders whose email addresses are registered with the Company's Registrar and Share Transfer Agent viz Kfin Technologies Limited / Depository Participants.

1. Financial Highlights

Table 1 gives the financial highlights of the Company for FY2022 as compared to the previous financial year, on consolidated and standalone basis.

(₹ in lakhs)

Particulars	Consolidated		Standalone	
	FY 2022	FY2021	FY2022	FY2021
Net Sales /Income from Business Operations	65,686.05	50,577.16	46,264.58	35,722.68
Other Income	5,320.54	1,241.07	5,371.35	1,123.00
Total Income	**71,006.59**	**51,818.23**	**51,635.93**	**36,845.68**
Profit /(loss)before Interest and Depreciation	7,557.90	(98.27)	6,064.54	(514.38)
Less Interest	2,444.08	2,680.35	2,139.94	2,451.33
Profit /(loss)before Depreciation	5,113.82	(2,778.62)	3,924.59	(2,965.71)
Less Depreciation and amortization	1,077.64	1,208.05	514.65	721.61
Profit / (loss) after depreciation and Interest	**4,036.18**	**(3,986.67)**	**3,409.93**	**(3,687.32)**
Exceptional Item				
Less Current Income Tax	340.04	1.15	-	-
Less Previous year adjustment of Income Tax	101.20	(0.58)	60.93	0.16
Less Deferred Tax	3.22	40.93		-
Net Profit after Tax	**3,591.72**	**(4,028.17)**	**3,349.00**	**(3,687.48)**
Remeasurement of Benefit liabilities/(Assets)		(25.89)	16.62	(111.01)
Income Tax relating to items that will not be reclassified to profit & loss account	9.94	(21.24)	-	-
Total Comprehensive Income	**3,578.75**	**(4,075.30)**	**3,365.62**	**(3,798.49)**
Less Minority share of profits / losses	63.45	63.35	-	-
Dividend (including Interim if any and final)	-	-	-	-
Net Profit after dividend and Tax	**3,515.30**	**(4,138.65)**		
Earnings per share (Basic)	1.76	(2.27)	1.68	(2.05)
Earnings per Share(Diluted)	1.76	(2.27)	1.68	(2.05)

Notes: FY2022 represents fiscal year 2021-22, from 1 April 2021 to 31 March 2022, and analogously for FY2021 and other such labeled years.

2. COVID-19

The 2nd wave of the COVID-19, pandemic starting April 2021, registered a much higher rate of transmission and greater intensity and caused significant disturbance and led to a slowdown in business operations in first Quarter of Financial Year 2021-22. The 3rd wave which hit us in January 2022 was more contagious but less virulent and caused for minimal disruptions in the business.

At Vascon, as we continue in our endeavour to fight waves of the COVID- 19 pandemic, Our priority remains the safety and well-being of our employees. Considering employee safety as paramount, we implemented various support measures for employees during all the three COVID-19 waves in India. The pandemic has rapidly accelerated digitial transformation for many organizations and has led to the adoption of digital models. As an organization, our external communication had a transition to new virtual models. Events like quarterly results, analysts meeting, Extra-Ordinary General Meetings, Annual General Meetings have been executed successfully.

Owing to the accelerated rates of vaccination, its effectiveness and the reduction in mobility restrictions, most of the economies are expected to reach the pre-pandemic levels. To beat this pandemic, after the announcement of the launch of Covid-19 vaccine by the Government, your Company also initiated vaccination drive including booster dose for employees and their immediate family.

In the midst of Covid-19, your company concentrated on business continuity. The company committed itself to protecting the work force with extremely strict protocols, social distancing regulations, enabling and encouraging Work from Home to the maximum extent possible.

Company has been actively focusing on improving on-site facilities to create safe working environment for workforce. Your Company has been working on making the supply chain more efficient as lockdown restrictions are eased. These measures not only keep the Company in tiding over the impact of Covid-19 but also make it more efficient in the long run. Company's first priority has been to ensure the complete safety of our employees and construction workers at our sites. Thousands of labourers continued to stay at our sites during renewed restrictions and they were provided with sanitized living conditions.

3. Business Performance

The total standalone sales for FY 2022 are ₹ 51,635.93 lakhs as compared to ₹ 36,845.68 lakhs for FY 2021. The Company made a PAT of ₹ 3,349.00 lakhs in FY 2022 compared to ₹ (3,687.48) lakhs in Financial Year 2021.

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

4. Consolidated Results

The turnover of the Company was ₹ 71,006.59 lakhs in Financial Year 2022 against ₹ 51,818.23 lakhs in FY 2021. Profit after tax before Minority Interest for Financial Year 2022 was ₹ 3,591.72 lakhs as compared to ₹ (4,028.17) lakhs in Financial Year 2021

5. 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 affordable housing, your company has a sharp focus on 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 affordable housing 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 successful mass vaccination drive by Government of India mitigated the impact of third wave thus safeguarding from any material impact on regular business activities. In FY 2021-22 all the projects were gaining momentum from September 2021 onwards. Company believes that the execution will continue to gather momentum going forward. Company has also reduced its debt substantially. As on March 2022, the net debt has come down to ₹ 58.72 Crores from ₹134.06 Crores in March 2021. In addition, the company has received a rating upgrade during the FY 2021-22.

Further we are in the process of optimizing our working capital limit especially non fund based which will facilitate EPC business growth. Also your company is strengthening real estate segment through Joint Ventures/ Joint Developments in selective prime location. This will strengthen operation of both EPC and Real Estate Segment.

During the year under review, despite weak economy and challenges on account of Global Pandemic Covid-19, your company has received EPC orders worth ₹ 168 Crores from reputed organization. Total Order book stands at 1832 crores which includes third party contracts as well as internal order intake. Despite the disruption caused due to Covid-19 pandemic, your Company has delivered 47% growth in Revenue as compared to last year in the EPC segment. EPC segment contributed 412.96 Crores to consolidated revenues as against ₹ 297.33 Crores in previous year.

Further, the key achievements and developments during the year was raising of funds to the tune of upto ₹ 70 crores from the Primary Capital Issuance through Preferential Allotment in the Company. With this fresh capital raise, the Company repaid high cost debt and growth capital to improve operational and financial performance.

We foresee that the quality developers shall have an edge over others due to more stringent regulatory changes in this area. Growth in the Indian economy and likely reduction in interest rates, pickup in housing segment can be expected. With the Government emphasis on Housing for All and development of affordable housing, your Company shall look for favorable opportunities in this niche segment.

6. Credit Rating:

The Company has obtained Credit Rating from Acuite Ratings and Research Limited. During the Financial year 2021-22, the outlook was first revised on May 18, 2021 and subsequently there was upgradation in ratings on February 03, 2022 of the Company and the same is as under:

Instrument	Rating Agency	Rating	Outlook
Long Term Bank Facilities	ACUITE	BBB	Stable
Long Term Non-Convertible Debentures	ACUITE	BBB	Stable
Short Term Instrument	ACUITE	A3+	NA

The outlook remains stable.

7. Transfer to Reserves

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

8. Dividend

In order to conserve the resources of the Company, the Board doesn't recommend any dividend for the Financial Year under review.

9. Share Capital

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

The Company had allotted 40,00,000 Equity Shares at ₹ 10 each fully paid up on August 14, 2021 under Employees Stock Option Scheme, 2017 (ESOS-2017). All the allotted equity shares rank pari passu in all respects with the existing Equity Shares of the Company.

The Company has also allotted 3,11,80,395 Equity Shares of ₹ 10 each at a premium of ₹ 12.45 each under the Preferential Issue of Equity Shares made in terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 on October 08, 2021.

Consequently, the total paid-up share of the Company stands to ₹ 2,17,31,71,110 consisting of 21,73,17,111 equity shares of ₹ 10 each fully paid up on the date of this Report.

The Company had issued zero coupon, rupee denominated, unrated, unlisted, secured, non-convertible debentures aggregating to INR 68,61,00,000 on December 16, 2015. During the year, the entire outstanding amount of the said debentures has been fully repaid and accordingly the said debentures stands redeemed.

10. Fixed Deposits

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

11. 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.

12. 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.

13. Subsidiaries, Associates and Joint Ventures

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

a. M/s Vascon EPC Limited a subsidiary of Vascon Engineers Limited was struck off from Registrar of Companies, Pune upon voluntary application made.

b. Vascon has sold its stake in its Associate Company namely: Cosmos Premises Private Limited to Royal Orchid Hotels Limited on February 17, 2022 and thus Cosmos Premises Private Limited ceases to be a Associate Company of Vascon.

c. Pursuant to acquisition of 92% stake in River Shore Developers Private Limited, the said Company is now the subsidiary of Vascon Engineers Limited.

The list of subsidiaries and associates of your Company as on March 31, 2022 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

14. 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.

15. 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.

16. Awards and Recognitions:

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

1. "CSR Excellence Award" at 12th Realty+ Conclave Excellence Awards 2021
2. Best Facility Award 2020-21" for Best Innovation by CREDAI Pune Metro
3. Femina Pune`s most powerful 2021-22 – Mr. Siddharth Vasudevan
4. Times Realty Icons Pune 2021 – GoodLife for Best Project – Affordable Segment
5. ET Inpiring CEOs – Dr. Santosh Sundararajan
6. 12th Annual Leadership Conclave & Indian Affairs Business Leadership Award 2021 to Mr. Siddharth Vasudevan Moorthy
7. Realty 2.0 Best Companies Award, Dubai
8. Indra Innovation and Excellence Award 2022 to Vascon Engineers Ltd.
9. Lokmat Vishwakarma Award" for maintaining excellent quality construction standards to Vascon Engineers Ltd.

17. 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.

18. Board of Directors and Key Management Personnel

Chairman of the Board of Directors

1. Elevation of Mr. Vasudevan Ramamoorthy as Chairman Emeritus of the Company

Mr. Vasudevan Ramamoorthy (DIN:00013519) retired from the post of Executive Chairman and Whole Time Director w.e.f. June 01, 2021.Thereafter, he was elevated as Chairman Emeritus of the Company .The Board places on record his appreciation for his invaluable contribution and guidance. He ceases to be the part of the Board.

2. Appointment of Mr. V. Mohan as Chairman of the Board

Board of Directors of the Company upon the recommendation of the Nomination and Remuneration Committee at its meeting held on May 31, 2021 appointed Mr. V. Mohan as the Chairman of the Board.

3. Cessation of Mr. V. Mohan as Director of the Company and Chairman of the Board

During the year under review, Mr. V. Mohan ceased to be Director and Chairman of the Board w.e.f. November 05, 2021 due to his sudden and sad demise. The Board places on record appreciation for his invaluable contribution and guidance.

4. Appointment of Mr. Mukesh Satpal Malhotra as Chairman of the Board:

During the year under review, on account of sudden and sad demise of Mr. V. Mohan, upon recommendation of Nomination and Remuneration Committee, Mr. Mukesh Satpal Malhotra, Independent Director was elected as Chairman of the Board w.e.f. February 08, 2022.

Appointment/Re-appointment of Directors

1. Appointment of Mr. Sankaramahalingam Balasubramanian as Additional Independent Director for a period of 5 years

Mr. Sankaramahalingam Balasubramanian (DIN: 06622735) was appointed as an Additional Director of the Company with effect from November 26, 2021 by the Board of Directors on the recommendation of Nomination and Remuneration Committee in accordance with Section 161(1) of the Act and the Articles of Association. He was also appointed as Independent Director for a first term of 5 years with effect from November 26, 2021 and holds office upto the date of upcoming Annual General Meeting subject to approval of Shareholders . A notice under section 160(1) of the Act has been received from a Member signifying its intention to propose his appointment as a Director. Necessary resolution for his appointment is being placed for the approval of shareholders as part of the notice of the 37th AGM.

2. Retirement by Rotation of Mrs. Sowmya Aditya Iyer (DIN: 06470039)

As per Section 152 of the Companies Act, 2013, Mrs. Sowmya Aditya Iyer, Non-Executive Director of the Company retires by rotation at the forthcoming 37th Annual General Meeting of the Company .

A brief resume, nature of expertise, details of directorships held in other companies alongwith their 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.

Mrs. Sowmya Aditya Iyer 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 dated June 20, 2018 pertaining to enforcement of SEBI Orders regarding appointment of Directors by Listed Companies.

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 are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption.

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

The Company has received Form DIR-8 from all Directors pursuant to Section 164(2) and rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Brief Profile of the Directors seeking appointment/re-appointment has been given in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

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:

- Dr. Santosh Sundararajan, Whole time Director and Group Chief Executive Officer
- Mrs. Vibhuti Darshin Dani, Company Secretary and Compliance Officer
- Mr. Somnath Biswas, Chief Financial Officer

19. 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 2021-22, 9 meetings of Board of Directors were held (including a separate meeting of Independent Directors). 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.

20. 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. 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 February 08, 2022, 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.

21. 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.

22. Board Committees

In compliance with the statutory requirements, the company has constituted 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, number of committee meeting held during the year is provided in the Corporate Governance Report, which forms a part of this report.

23. Audit Committee

The composition of Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with rules issued thereunder and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Audit Committee of the Board of Directors consists of two 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, Independent Director and Chairman, Mr. Mukesh Satpal Malhotra, Independent Director and Mr. Siddharth Vasudevan Moorthy, Managing Director.

Mrs. Vibhuti Darshin Dani acts as Company Secretary of the Committee.

Changes in Committee during the year:

- Mr. Vasudevan Ramamoorthy ceased to be a Member of the Audit Committee consequent to his elevation as Chairman Emeritus w.e.f. June 01, 2021.
- Mr. Siddharth Vasudevan Moorthy, Managing Director was appointed as Member of Audit Committee
- Mr. V. Mohan ceased to be Chairman of Audit Committee on account of his sudden and sad demise on November 5, 2021.
- Mr. K G Krishnamurthy, Independent Director was elected as Chairman of the Committee w.e.f. November 26, 2021.

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

24. 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.

25. 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 alongwith 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 at March 31, 2022 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 had prepared the annual accounts on a going concern basis; and
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.
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;

26. Secretarial Standards

The Directors states 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.

27. 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 consolidate turnover as per the last audited financial statement, were entered during the year by your company. There were no transactions with related parties which requires 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. The particulars of Related Party transactions in prescribed form AOC-2 are attached herewith at **Anneuxure-II**.

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, 2022.

28. Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of Companies Act, 2013 and Regulation 22 of the Listing Regulations.

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.

29. Auditors

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s Sharp and Tannan Associates, Chartered Accountants have been appointed as Statutory Auditors of the Company for a period of 5 years from the conclusion of 34th Annual General Meeting.

Representatives of Statutory Auditors of the Company had attended the last AGM held on September 28, 2021.

Secretarial Auditor

Pursuant to Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Kulbhushan D. Rane of M/s K. D. Rane and Associates, Practicing Company Secretary was appointed to conduct the Secretarial Audit of the Company for FY 2022. The secretarial audit report for FY 2022 is attached as **"Annexure III"**.

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 2023 at a remuneration of ₹ 2,50,000/- (Rupees Two Lacs Fifty Thousand Only) plus taxes as may be applicable.

30. 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, 2022. The Report is enclosed with financial statements in this Integrated Annual Report.
- The Secretarial Auditors Report for the financial year ended March 31, 2022 doesn't contain any qualification, reservations or adverse remarks.
- The Auditor's certificate confirming compliance with conditions of corporate governance as stipulated under Listing Regulations, for financial year ended March 31, 2022 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.

31. 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.

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

During FY 2021-22, 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.

33. 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. In Financial Year 2022, the Company's CSR efforts included COVID-19 relief too.

The Report on CSR activities of the Company is attached as "**Annexure IV**"

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

34. 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: **Nil**

b. No. of complaints disposed off during the Financial Year: **Nil**

c. No. of complaints pending as on end of Financial Year: **Nil**

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

Adhering to the various requirements set out in the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has during financial year 2018-19, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer i.e. November 15, 2018. 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 www.vascon.com/investorservices. The said details have also been uploaded on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

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.

36. Employees Stock Option Schemes

The Company has two Employee Stock Options Schemes namely "Employees Stock Option Scheme 2017 and Employees Stock Option Scheme 2020. The primary objective of both the schemes is to reward employees for their association, performance and contribution to the goals of the Company and to attract, retain and motivate key talent by rewarding good performance and motivating them to contribute to the overall growth and profitability of the Company. The Nomination and Remuneration Committee administers and monitors the Company's ESOS's schemes.

During the year under review, your company has allotted 40,00,000 shares under Employees Stock Option Scheme, 2017 on August 14, 2021.

The company has received a certificate from the Secretarial Auditors of the Company that the Scheme is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2014 (SBEB) and amendments thereof. The Certificate is available for inspection in electronic mode on demand.

Disclosures as required under SBEB with respect to the Company's ESOS Schemes as on March 31, 2022 are available on our website https://www.vascon.com/investors/services

37. DISCLOSURES

Your Directors state that for the Financial Year 2022, 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.

38. Particulars of Employees

A statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **"Annexure V"** forming part of this Report. As per the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the members excluding the aforesaid annexure. The said information is available for inspection at the registered office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

The ratio of the remuneration of each Director to the median employee's remuneration and other details prescribed in Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached to this Report as **"Annexure V"**.

39. 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) is duly certified by IFBC- 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.

In many of our projects tunnel form shuttering Technology is used for fast construction.

Precast panells are used for internal walls in affordable housing project in Katavi, Pune, Maharashtra Adampur and Goa Airport projects (Green Buildings) are pre certified for Griha.

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:

(₹ In lakhs)

Particulars	**FY 2022**	**FY2021**
Foreign Exchange Earning	3677.03	2071.01
Expenditure in Foreign Exchange	538.94	214.86

40. Extract of the 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, 2022, on its website at https://www.vascon.com/investors/services. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company isn't required to provide extract of Annual Return as a part of Board Report.

41. 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 Malhotra
Chairman

Sd/-
Siddharth Vasudevan Moorthy
Managing Director

Place: Pune
Date: May 23, 2022

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

(□ in Lakhs)

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 foreignsubsidiaries	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	180.14	244.60	5.64	-	3.80	(10.59)	-	(10.59)	-	100%
Marathawada Realtors Private Limited	No	NA	39.22	47.72	199.47	112.53	-	0.03	(18.15)	-	(18.15)	-	100%
Marvel Housing Private Limited	No	NA	1.00	2.92	146.86	142.94	-	430.93	35.86	9.62	26.24	-	100%
Vascon Value Homes Private Limited	No	NA	1.00	(1.75)	1.61	2.36	-	-	(0.40)	0.10	(0.30)	-	100%
GMP Technical Solutions Private Limited	No	NA	1.49	7,122.90	17,856.13	10,731.74	-	19,746.82	861.16	373.91	487.25	-	85%
GMP Technical Solutions Middle East (FZE),	No	19.7178	24.51	(300.10)	30.17	305.76	-	-	-	-	-	-	85%
River Shore Developers Private Limited	No	NA	4,779.81	(2,181.45)	5,016.35	2,417.99	-	15.31	(65.12)	-	(65.12)	-	92%

(₹ in Lakhs)

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			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	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.	Amount of Investment in Associates/Joint Venture	Extend of Holding%					
Associates									
Mumbai Estate Private Limited	31.03.2019	99,999	10	44.44%	Significant influence due to % of Share Capital	Value of Investment Nil as per Equity Method of Accounting for Investments in Associates.	(55.45)	-	-
Jointly Controlled Entities									
Phoenix Ventures	31.03.2022	Not Applicable	200.00	50%	Joint Control over economic activity of the entity	-	542.75	7.72	-
Ajanta Enterprise	31.03.2022	Not Applicable	4,272.94	50%	Joint Control over economic activity of the entity		(14.31)	382.96	
Vascon Construction Saga LLP	Unaudited	Not Applicable	1.52	76.00%	Joint Control over economic activity of the entity		1.52	-	

During the financial year Investment in Cosmos Premises Private Limited has been disposed off

For and on behalf of the Board of Directors

Sd/- **Mukesh Malhotra** **Chairman**	**Sd/-** **Siddharth Vasudevan Moorthy** **Managing Director**

Place: Pune
Date: May 23, 2022

ANNEXURE-II FORM AOC-2

Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under fourth proviso thereto

1. Details of contracts/ Arrangements or Transactions not at Arm's Length Basis: None

Sr. No	Particulars	Details
1	Name(s) of the Related Party and the nature of relationship	Not Applicable
2	Nature of contract/ arrangement/transaction	
3	Duration of the contract/arrangement/transaction	
4	Salient Terms of the contracts or arrangements or transactions	
5	Justification for entering into such contacts or arrangements or transactions	
6	Date of approval by Board	
7	Amount paid as advances, if any	
8	Date on which Special Resolution was passed in General Meeting as required under the first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at Arm's Length Basis : Not Applicable

Sr. No	Name of the Related Party	Nature of transaction	Duration of transaction	Transaction Value	% of Consolidated Revenue	Date of approval by Board of Directors	Advance Amount
NA	NA	NA	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
Mukesh Malhotra	**Siddharth Vasudevan Moorthy**
Chairman	**Managing Director**

Place: Pune
Date: May 23, 2022

ANNEXURE III: SECRETARIAL AUDIT REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[*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
Vascon Engineers Limited
Vascon Weikfield Chambers
Behind Hotel Novatel, Opposite Hyatt Hotel
Pune Nagar Road, Pune – 411014.

I 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 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 2022 ('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 2022 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) The 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) Regulations, 2014 and 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, 2009 and 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); and

   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

(i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India; and

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

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, 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 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, 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.

I further report that during the audit period the Company has:

(i) Redeemed non-convertible debentures worth ₹ 1.68 crore;

(ii) Amended its Articles of Association;

(iii) Issued and allotted 3,11,80,395 equity shares on preferential basis; and

(iv) Varied terms of Employees Stock Option Scheme 2017, by changing the vesting schedule of outstanding stock options to be granted to employees who are entitled to participate in the scheme.

Kulbhushan D. Rane
FCS No. 10022, C P No. 11195

Place: Pune
Date: 23 May 2022
UDIN: F010022D000368259
Peer Review Certificate No. : 1745/2022

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
Vascon Engineers Limited
Vascon Weikfield Chambers
Behind Hotel Novatel, Opposite Hyatt Hotel
Pune Nagar Road, Pune – 411014.

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

Place: Pune
Date: 23 May 2022
UDIN: F010022D000368259
Peer Review Certificate No. : 1745/2022

ANNEXURE-III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[*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 Ltd
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 Ltd (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 2022 ('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 2022 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(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 subject to the following observation: Intermittent vacancy of independent director (i.e. of Mr. V Mohan) was not filled-up by the Board within the period prescribed under rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as a result of which composition of the Audit and the Nomination and Remuneration Committees of the Board was also not as per the requirements under sections 177(1) and 178(1) of Act.

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, except that the intermittent vacancy of independent director (i.e. of Mr. V Mohan) was not filled-up by the Board within the period prescribed under rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. 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.

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., apart from: redemption of 4,10,000 (0.001% redeemable non-cumulative preference shares of ₹ 100) each at par.

Kulbhushan D Rane
FCS No.: 10022, C. P. No.: 11195

Place: Pune
Date: 02 August 2022
UDIN: F010022D000728927
Peer Review Certificate No. : 1745/2022

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 Ltd
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

Place: Pune
Date: 02 August 2022
UDIN: F010022D000728927
Peer Review Certificate No. : 1745/2022

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

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   Vascon has been an early adopter of CSR initiatives. CSR policy of the Company focuses on the following broad themes with goals to improve overall socio-economic indicators of Company's area of operation:

   a. Promoting healthcare, sanitation and making safe drinking water

   b. Employment enhancement through training and vocational skill development

   c. Promoting education and sports

   d. Ensuring sustainable environment

   In the Financial Year 2021-22, the company has undertaken activities relating to Promoting health care.

   The Board has approved the CSR Policy of the Company. It can be viewed at https://www.vascon.com/investors/services

   Also the Report on CSR activities of the Company undertaken by Vascon Moorthy Foundation is mentioned below in **Exhibit 1.**

2. The Composition of the 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:

   ➢ Mr. Siddharth Vasudevan Moorthy, Managing Director and Chairman of the Committee

   ➢ Mrs. Sowmya Aditya Iyer, Member

   ➢ Mr. Mukesh Satpal Malhotra, Member

3. Weblink where composition of CSR Committee and CSR Policy approved by the Board is disclosed on the website of the Company https://www.vascon.com/investors/corporate-updates

4. Details of impact assessment of CSR Projects carried out in pursuance of sub rule (3) of Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 if applicable: **Not Applicable**

5. Details of amount available for set-off in pursuance of sub rule (3) of Rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014 and mount required to be set off during the current financial year, if any: **NIL**

6. Average net profit of the company for last three financial years:

   As per the Corporate Social Responsibility (CSR) Policy of the Company, eligible funds for CSR Activities for each financial year will be expended in the areas of Education, health, women empowerment through one or more trust. These CSR activities will be carried out through various programmes or projects as

(₹ in Lakhs)

Sr. No	Year	Profit Before Tax
1	2018-2019	1,419.06
2	2019-2020	3,814.47
3	2020-2021	(3,687.32)
	Total	**1,546.21**
	Average Net Profit of 3 years	**515.40**

7. Details of CSR spent during the financial year:

Average net profit of the Company for the financial years 2018-19 to 2020-21	₹ **515.40 lakhs**
Prescribed CSR Expenditure (2% of the average net profit computed above)	₹ **10.31 lakhs**
Outstanding to be spent of previous financial year	**NIL**
Total amount spent of CSR activities for the Financial Year 2021-22	₹ **40 lakhs**
Amount unspent, if any	**NIL**

Manner in which the amount spent during the Financial Year 2021-22 is detailed below:

Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1) Local Area or other 2) Specify the state and district where projects or programs was undertaken	Amount outlay (Budget) project or program wise (Amount in ₹)	Amount spent on the project (Amount in ₹)		Cumulative expenditure upto the Reporting Period (Amount in ₹)	Mode of implementation	
					Direct	Overhead		Name	CSR Registration Number
1	Promoting Health care including preventive health care	Promoting Health care including preventive health care	Pune, Maharashtra	10,00,000/-	10,00,000/-	-	-	Through implementing Agency -Pune City Connect – Light House Communities	CSR00001116
2	Promoting Health care including preventive health care	Promoting Health care including preventive health care	PAN India	30,00,000/-	30,00,000/-	-	-	Through implementing Agency - Sri Sathya Sai Sanjeevani Centres for Child Heart Care (Gift of Life to pediatric Cardiac Procedure for child health care)	CSR00001048

8. (a) In case the Company has failed to spend two percent of the average net profit of the last three financial years or nay part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: **Not Applicable**

Total amount spent for the financial year (₹ In lakhs)	Total amount transferred to Unspent CSR account as per Section 136		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

(b) Details of CSR amount spent against ongoing projects for Financial Year 2022:

There are no ongoing projects.

Sr. No	Name of the Project	Items from list of activities in Schedule VII	Local Area (Yes/ No	Location of the project	Project Location	Amount allocated on Project	Amount spent in the current financial year	Mode of Implementation (Direct or Through Implementing Agency)
Not Applicable								

(c) Details of CSR amount spent against other than ongoing projects for Financial Year 2022: ₹ 40 Lakhs:

(d) Amount spent in Administrative Overheads: N.A.

(e) Amount spent on Impact Assessment: N.A.

(f) Total amount spent for financial year ₹ 40 Lakhs

(g) Excess amount for set off, if any: ₹ 29.69 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: 2018-19- 2.86 lakhs which was subsequently spent in 2019-20, 2019-20 Nil, 2020-21- Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.

10. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5): **Not Applicable**

Sd/-
Siddharth Vasudevan Moorthy
Managing Director and Chairman of CSR Committee

Sd/-
Sowmya Aditya Iyer
Non executive Director

EXHIBIT 1: CSR ACTIVITIES REPORT

Vascon Moorthy Foundation ('VMF') has effectively completed 14th years. Every Government mechanism is working on the COVID vaccination program. All the state's level medical team & health sector, Medical Institution, Government Hospital, Private Hospital, Primary Health Center and NGO's are engaged in providing the vaccines and health facilities to every people.

This year we had focused on education coverage through providing educational and non-formal education for children but in the academic year govt. education sector was facing lot of difficulties. Most of the time schools were closed because of increasing number of positive Covid Cases. So parents also did not send their children to the school. Therefore the focus was mainly on the healthcare provided to the labourers and their children. As compared to the previous year, this year the situation is better.

VMF has taken care of better hygiene, safe drinking water facility, healthy environment and better living condition to improve the laborers quality of life.

This year VMF has been activities are as follows:

Preventive and Curative Health Camps:

Various health problems from minor to the contagious diseases were observed as the major reason. Apart from this, traditional approach of labourers resulted in the home remedy or treatment from the quacks. This has a severe effect on the physical as well as psychological health of the laborers. In the year 2021-22, VMF focused on the preventive and curative health care of the construction labour, with the help of Pune Municipal Corporation and NGO. Government is providing health facilities to the public, has developed COVID center with developing facilities, because no person should be deprived of health services. Therefore, the doctor's visit from Vascon (Vascon Engineers ltd) has been increased every month due to which laborers and good health services will be available. In this, temperature tests, blood pressure, oxygen saturation and general health checkup have been done. A total of 2617 workers benefited from Vascon health check-up.

After the pandemic situation, the site office had conducted general health check up once in 15 days at all Pune sites. During the period of June 2021, number of positive cases has been low as compared to Meanwhile, we are also ensuring that all workers gets vaccination, wear masks, use hand sanitizer and maintain social distancing.

With the help of PMC health department a total of 9 health's checkup camps were held on all the sites in Pune. Total 874 laborers benefited from these camps. Also overall 610 laboures and staff took a T.D. and T. T. at Pune and Mumbai sites.

Immunization camps:

Immunization is an 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, labourers and their children are deprived of preventive health care program. 47 children received Polio, BCG, Triple Vaccine Hepatitis B, DPT, MMR doses. Niramay NGO could not regularly visit the site on account of Covid Restrictions from Government of India. But we at VMG organized Pulse Polio Immunization Camp at Godrej Greens site from Primary Health Center, Phursungi and through Dhankawade Hospital, Dhankawadi on Godrej Greens site, Undri and New Civil Enclave Airport, Adampur, Punjab site. Total 34 Children took Pulse polio vaccine in this camp. Total 47 children from construction sites have been immunized in the year 2021-22. 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.

Health checkup camp through- National Health Mission:

National Health Mission would cover all State capitals, district headquarters and cities/towns with a population of more than 50000. It would primarily focus on slum dwellers and other marginalized groups like rickshaw pullers, street vendors, railway and bus station coolies, homeless people, street children and construction site labour.

In this year, Vascon Moorthy Foundation with the help of the National Health Mission has provided free medicines in this camp as well as free blood tests for people suffering from various diseases. A total of 9 health's checkup camps were held on all the sites in Pune. A total of 874 labourers, staff and children received benefits at the end of the health checkup camp, with 464 workers given tetanus diphtheria and 274 labour blood tested. It helped workers to improve their health. 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. Labourers were given T. D. vaccine. Anemia is one of the severe problem in women, during the health camp most of the female workers received iron and folic acid supplements at every site.

So VMF is thankful to NHM team and respective hospital.

COVID 19 Awareness Program:

Everyone knows about the COVID pandemic, and also knows about the COVID vaccine is available from the January 2021 but first priority is medical staff, government employee and above 60 age person so we will not neglected precaution of corona. The number of migrant laborers is very high, in such a situation, we make the laborers aware through awareness programs. We do not want any negligence from the laboures and employees in such a situation, due to which the infection of corona virus becomes more. Half the knowledge is dangerous for health. We are trying to make all the workers aware of corona virus. We are using PPT and showing how to wear a face mask and how to wash hands with it, the person should wash hands with soap and water for at least 20 seconds, especially after going to the toilet or when the hands are dirty, before eating and touching other things. Everyone will know but actually I showed how to keep hands clean and how to wear a mask. There were 239 laborers and 31 staff participated in this program. In this situation VMF is a focusing on demonstration because awareness is most effective part for audio and video visualization and in that time we had discussion about the each and every point for the understanding concept.

HIV/AIDS awareness program and testing camp:

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.

This year, VMF has collaborated with Mumbai District AIDS Control Society (MDACS) and Goa State AIDS Control Society (GSACS). During the year, MDACS conducted HIV testing of 191 laboures and staff and 66 laboures and staff were tested through GSACS. We have expanded networking to other areas and have taken services from the government mechanism. In the Pune, Saksham Ngo is a working with positive women and children. VMF organized Awareness and HIV testing camp at all Vascon site in Pune, Also we have continued the previous networking of Saudamini Ngo is working at PMC areas and Saksham Ngo working in PCMC areas these is both working in under of Maharashtra state Aids Control Society. In this year at Pune site a total 544 workers have HIV tested in the camp. In total 248 workers participated in HIV awareness program and HIV tested 801 laboures, HIV test results of workers are negative.

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 camp at Pune and Mumbai sites. There were 260 labourers who were tested in the malaria testing camp through the Pune Municipal Corporation and 402 laboures tested at Mumbai sites with the help of Brihanmumbai Municipal Corporation. A total of 662 labourers were malaria tested. If a labour has a positive report, He will be treated free of cost through PMC & BMC in a government hospital. All the reports of malaria test of laborers are negative.

Other test:

Filariasis test was conducted at Rehab site, Malad, through BMC. A total of 63 laborers were tested. Rarely the patient is seen infected with Filariasis, but on finding some cases in BMC, the site requested us to conduct Filariasis test for workers and staff from BMC.

VMF has been doing HIV camp, since the last 1 year in collaboration with Yuva Pratishthan NGO, Mumbai. They did a diabetic checkup camp this year, in which 40 laborers and workers were involved at Police housing site, Mulund.

Also, an Eye checking camp was conducted. There were 80 laborers and staff participated in this camp. One of the sites, Sriram Educational Trust, Chennai with the help of Sriram College, conducted an eye checkup camp for labourers. There were 42 labourers participated in the program. A total of 122 workers and staff benefited at the end of the year.

COVID-19 vaccination:

The pandemic situation started in India from March 2020, every person suffering in this pandemic situation, was waiting for the vaccine developed in any country, so that people's lives could be saved.

All the medical organizations, institutes were doing research on COVID vaccination. Eventually some countries developed the COVID vaccine. COVISHIELD Vaccine manufactured by Serum Institute of India Pvt Ltd in India and COVAXIN Vaccine developed by Bharat Biotech in association with Indian Council of Medical Research and National Institute of Virology. The vaccination was started in India on 16 January 2021.

During the year, VMF also initiated COVID vaccine drive for laboures and staff. There were 971 laboursand staff who took 1st dose and 2nd dose was taken by 241. A total 1212 labourers and staff received COVID vaccine in Pune sites.

Health Case:

During the year, VMF have done a successful health case, the case of Anurag father Mr. Deenanath Yadav, Anurag is office boy working at Marigold office, her father was admitted at Yash hospital for a treatment of heart blockage, the patient suffering pain of heart and suddenly he was an unconscious. Yash Hospital Doctors said its symptom of heat blockage and he had test Angiography and result of test, in the heart there are 3 blockages. Approximately 4 to 5 Lakhs will be expenses of Angioplasty. So Anurag intimate to Vascon Moorthy Foundation Welfare Officer Mr. Yogesh Kamble about the father, He visited to Yash hospital, Hadapsar for what is the situation of patient and financial condition. They took the first action to coordinate with Mr. Amogh Pujari Medical Social worker of Ruby Hospital, and Mrs. Sneha Gaikwad (IPF department) Medical Social Worker and discussed about the financial situation of Anurag Family and finally decided shifting from Yash Hospital to Ruby Hospital. Also talked to Dr. Grant Sir is head of the cardiology department and Director of the hospital. Grant Sir immediately talked about the office boy's father to the cardiology team and the operation was successfully completed. The final hospital bill came to 4 Lakhs. Pune Municipal Corporation helped the Grant Medical Foundation with some amount under the Urban Poor Scheme, so 3.5 Lakhs was given by Grant Medical Foundation and PMC and the remaining amount was paid by the patients. Now, an office boy's father is happy with his family.

VMF thankful to Grant Medical Foundation and PMC, also Thanks to everyone who helped with that.

Crèches, 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 opportunities to earn wages, which is important for them to earn their living.

Vascon Moorthy Foundation is running 4 daycare centers at Windermere labour camp crèche and Forest Edge crèche, PMAY crèche and also through the Tara Mobile Crèches at Godrej Greens labour camp crèche to take care of children at crèches and women are assured that they have left their children at a safe place, can go to work with a calm mind.

At Tara Mobile crèches, children get nutritional food and dry snacks. Also given they get pre primary formal education too. Three crèche get dry snacks and primary formal education.

A total of 1444 children have been benefited from 4 crèches in the year 2021-22.

Formal School:

Vascon Moorthy Foundation prepares 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.

Most of the time we use to see safe places, care of children and focusing on education coverage through providing educational and non-formal education. Schools and colleges in Pune had reopened from 1st February 2022, as announced by Honorable Deputy Chief Minister of Maharashtra. It was for four hours (half-day) classes for Classes 1st to 8th while classes 9th to 10th had school as per the regular schedule.

After a long period of school and college had started, but the children of class 1st to 8th appeared irregularly in the class due to corona, but from March onwards, children were going to regular school. Hope the next academic year will go smoothly without any problem and children will go to school safely.

In our sites, 12 children are getting formal education. Respectively, Forest Edge crèche 05 children, Godrej Greens crèche 02 children and Windermere crèche 05 children taken formal education from 1st Standard to 8th Standard in PMC, and Z.P. school during the academic year 2021-22.

Summer Vacation Trip:

Most of the children living on construction sites rarely have the opportunity to see life outside the construction grounds on which they live. Vascon Moorthy Foundation believes that providing children with opportunities for outings and exposure visits is very important, not only to enhance their education but also to let them have fun.

This year a VMF had not organized summer vacation trip due to COVID 19 Pandemic. Children has not been taken vaccine, government given vaccine of age 12 to 18 but below age 12 of children vaccine not developed so nobody can moved from home to public place, VMF had decided this year summer vacation trip has been cancelled. Hope to organize a trip for children in the next year.

Star Site Competition for Best maintained labour camp for workers.

VMF organized Star site Competition every year at PAN India site but has not conducted Star Sight Competition in last 2 years due to COVID pandemic. (From April 2021 to March 2022) The purpose of this competition is to motivate the site staff to provide the better hygiene, safe drinking water facility, healthy environment and better living condition to improve the laboures quality of life.

This year 2021-22 VMF has not conducted Star Site Competition assessment visit due to COVID Pandemic. But in that situation VMF had caring of all labour at Vascon PAN India site, every site person involved in providing basic facilities to the workers. During COVID, we provided workers with drinking water, a healthy environment, sanitation materials, and most importantly, labor camp disinfection, daily sanitization with the corona virus. The site staff guided the laboures from time to time regarding the maintenance of the labour camp.

Ramya Moorthy
Trustee

ANNEXURE – V :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, 2022

Name	Designation	Ratio of Remuneration to the Median Remuneration of Employees	% Increase in Remuneration During FY 2022
Vasudevan Ramamoorthy****	Chairman Emeritus	2.44	-
Siddharth Vasudevan Moorthy	Managing Director	107.69	9.74
Santosh Sundararajan***	Whole Time Director and Group CEO	107.09	-
Vibhuti Darshin Dani	CS	5.86	19.99
Somnath Biswas	CFO	24.73	-

*****Mr. Vasudevan Ramamoorthy ceases to be Whole Time Director and Executive Chairman of the company w.e.f. June 01, 2021*

****Appointed as Whole time Director of the Company w.e.f. 31st May, 2021*

b. Remuneration disclosures for Independent Directors for the financial year ended March 31, 2022

₹ in lakhs

Name	Designation	Sitting Fees
V. Mohan^	Independent Director	1.25
K. G. Krishnamurthy	Independent Director	1.75
Mukesh Malhotra	Chairman and Independent Director	1.75
Sowmya Aditya Iyer	Non-Executive-Non-Independent Director	1.75
Sankaramahalingam Balasubramanian	Independent Director	0.50

^V. Mohan ceases to be Independent Director and Chairman of the Board on account of his sudden and sad demise on November 05, 2021

Notes:

1) The aforesaid details are calculated on the basis of monthly cost to company paid during the financial year 2021-22.

2) Remuneration paid /payable to Non-Executive Directors is based on the number of board meetings attended by them.

3) A permanent employee does not include contract employees, retainers and labourers.

4)	The number of permanent employees on the rolls of the Company	684
5)	The percentage increase in median remuneration of employees in the financial year	2.15
6)	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 our if there are any exceptional circumstances for increase in the managerial remuneration	During the financial year 2021-22, no of employees increased by 8.22% and increase in remuneration of employees other than KMP is 5.44%.
7)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration paid/payable is as per the remuneration policy of the company

REPORT ON CORPORATE GOVERNANCE

Pursuant to the Corporate Governance requirements prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 ('Listing Regulations'), the report containing the details of corporate governance systems and processes at Vascon Engineers Limited ('**Vascon/ the Company'**) is as follows:

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. 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 maximise the long term value to the shareholders of the Company.

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.

As on March 31, 2022, our Board comprises of 6 (Six) members, consisting of 3 Independent Directors, 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.

Mr. Vasudevan Ramamoorthy ceases to be Executive Chairman and Whole Time Director w.e.f. June 01, 2021 and thereafter considering his huge contribution to the success of the company, his experience, knowledge and wisdom was elevated as Chairman Emeritus. He ceases to be a part of the Board.

Mr. V Mohan, was appointed as Non-Executive (Independent) Chairman of the Board w.e.f. June 01, 2021. However, he ceased to be a Director of the Company on account of his sudden and sad demise on November 05, 2021. The Board greatly appreciates his immense contribution in the progress of the Company achieved so far.

Mr. Sankaramahalingam Balasubramanian was appointed as Additional (Independent) Director in the meeting of Board of Directors held on November 26, 2021 and the said appointment shall be subject to approval of members at the ensuing Annual General Meeting.

Mr. Mukesh Satpal Malhotra has been re-appointed as an Independent Director for a second term of five years from May 17, 2021. Upon sudden demise of Mr. V. Mohan, Board elected Mr. Mukesh Satpal Malhotra as the Chairman of the Board.

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 Non-Executive and Independent Directors are three Directors which is more than one third of the total number of Directors.

All the Directors 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 as under:

Mr. Vasudevan Ramamoorthy holds a Bachelor's degree in civil engineering from the University of Pune. He has also completed an 'Owner President' Management Program from the Harvard Business School. He had been a Director on the Board of our Company since January 01, 1986. He was the Executive Chairman of the Company during the Financial Year 2020-21, responsible for the over-all management of our Company. He has more than three decades of experience in the construction industry. He was elevated as Chairman Emeritus w.e.f. June 01, 2021.

Mr. 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. He is also currently pursuing Executive MBA.

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 Managing Director on the Board of our Company since April 01, 2018.

Mr. V. Mohan was a fellow member of the Institute of Chartered Accountants of India. He was a practising chartered accountant with more than 3 decades of experience in the areas of audit and assurance services, company law, tax planning, tax representations and foreign exchange regulations with V Sankar Aiyer and Company, Chartered Accountants, where he was a partner. He was a director of the Company since March 6, 2007. He was appointed as Independent Director of the Company for a period of 5 years in 2014. He was further re-appointed as Independent Director of the Company for another period of five years in 2019. However on November 05, 2021, he ceases to be a part of Board on account of his sudden and sad demise.

Mr. Krishnamurthy Kulumani Gopalratnam holds a Bachelor's degree in architecture from the Indian Institute of Technology, Kharagpur. He has more than three decades 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.

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 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 30 years, having served as President, 2008-2010.

Mr. Mukesh Satpal Malhotra is a Founder Trustee of the Pune International Centre (PIC) a think tank on the lines of the India International Centre, and Vice Chairman of the Malhotra Weikfield Foundation, which provides Scholarships to students in Pure Sciences, and is setting up a state of the art Skill Development Institute with Swiss Collaboration.

He is an avid Vipassana Meditator since 1989. His hobbies and interests include music, ranging from Indian Classical to Western Pop, travel, International Cuisine, and he is a voracious reader.

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 has been appointed as a Director on the Board of our 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 20 years 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. He was appointed as Whole Time Director and Group Chief Executive Officer of the Company w.e.f. May 31, 2021.

He was appointed as an Non Executive – Independent (Additional) Director of the Company w.e.f. May 31, 2021

Mr. Sankaramahalingam 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 on November 26, 2021.

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 2021-22, the Board of Directors met Nine times, viz May 31, 2021, June 28, 2021, August 14, 2021, August 21, 2021, September 30, 2021, November 01, 2021, November 26, 2021, February 08, 2022 and February 08, 2022 (Separate Meeting of Independent Directors). The requisite quorum was present for all the Meetings. The gap between any two meetings has been less than one hundred and twenty days either board and committee Meetings were conducted through physical presence and/or 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 during the ongoing COVID-19 Pandemic.

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 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. Table 1 gives the details.

Composition of the Board

The Board of your company comprises of six Directors as on March 31, 2022 with three Independent Directors, two Executive Directors and one Non Executive, Non Independent Director.

The names and categories of Directors, DIN, 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:

Table - 1 (As on March 31,2022)

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*	Committee Memberships (including as Chairman)**	Committee Chairmanship	Name of the listed entity	Category of Directorship	
1	Mr. Vasudevan Ramamoorthy***	Promoter	9	1	Yes	1	2	0	-	-	Father of Mr. Siddharth Moorthy and Mrs. Sowmya Aditya Iyer
2	Mr. Siddharth Vasudevan Moorthy	Promoter and Managing Director	9	8	Yes	1	2	0	-	-	Son of Mr. Vasudevan Ramamoorthy and brother of Mrs. Sowmya Aditya Iyer
3	Mr. V. Mohan$	Non Executive, Independent Director	9	5	Yes	2	4	3	Talbros automotive Components Limited	Independent Director, Non Executive	NA
4	Mr. K .G. Krishnamurthy	Non Executive, Independent Director	9	8	No	7	6	4	Ajmera Realty & Infra India Limited	Independent, Non-Executive	NA
									Indiabulls Real Estate Limited	Independent, Non-Executive	
									Shriram Properties Limited	Independent, Non-Executive	
									Purvankara Limited	Independent, Non-Executive	
5	Mr. Mukesh Satpal Malhotra	Non Executive, Independent Director	9	8	No	2	2	0	-	-	NA
6	Mrs. Sowmya Aditya Iyer	Promoter and Non Executive Non Independent Director	9	7	Yes	2	0	0	-	-	Daughter of Mr. Vasudevan Ramamoorthy and sister of Mr. Siddharth Vasudevan Moorthy
7	Dr. Santosh Sundararajan	Executive Director	9	7	Yes	3	0	0	-	-	NA
8	Sankaramahalingum Balasubramanian+	Non Executive, Independent Director (Additional)	9	3	NA	2	0	0	-	-	NA

**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*

****Mr. Vasudevan Ramamoorthy has been elevated as Chairman Emeritus of the Company and he ceases to be Executive Chairman and Whole Time Director w,e,f, June 01, 2021. He is not a part of the Board.*

© Includes a separate meeting of Independent Directors

$ Mr. V Mohan ceases to be a Director on account of his sudden and sad demise on November 05, 2021.

+ Appointed w.e.f. November 26, 2021

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.

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. 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 February 08, 2022, 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. Kulbhushan D Rane of M/s K D Rane and Associates, Practising Company Secretary, 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, 2022 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.

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.

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, 2022.

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 2021-22.

Sd/-
Managing Director

Place: Pune
Date: May 23, 2022

Maximum tenure of Independent Directors

The maximum tenure of Independent Directors is in accordance with Companies Act, 2013 and Regulation 25(2) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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.

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 February 08, 2022 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.

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 February 08, 2022 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.

Independent Directors and Non-Executive Directors may be paid sitting fees for attending board Meetings within the parameters prescribed by law. The remuneration payable to Non-Executive Directors is decided by the Board of Directors.

Nomination and Remuneration Committee while deciding the basis for determining remuneration to the eligible Non-Executive Directors takes into consideration various relevant factors, current market trend etc. The policy is attached as an Annexure A to the Corporate Governance report.

Remuneration paid to the Non-Executive Directors for F.Y. 2021-22

(Amount in Lakhs)

Sr No	Name of the Directors	Salary and Allowance	Sitting Fees paid	Shareholding in the Company
1.	V. Mohan	0	1.25	-
2.	K. G. Krishnamurthy	0	1.75	-
3.	Sowmya Aditya Iyer	0	1.75	700294
4	Mukesh Satpal Malhotra	0	1.75	5525
5	Sankaramahalingam Balasubramanian	0	0.50	-

Remuneration paid or payable to Executive Directors for F.Y. 2021-22

(Amount in lakhs)

Sr No	Name of the Directors	Salary and Allowance	Perquisites	Retirement Benefits**	Shareholding in the Company
1.	Vasudevan Ramamoorthy	1.67	-	-	19517124
2.	Siddharth Vasudevan Moorthy	280.19	148.36	12.33	4164953
3	Dr. Santosh Sundararajan	272.36	346.93	18.25	10146893

Mr. Vasudevan Ramamoorthy has transferred 22911577 Equity share s to Vasudevan Family Trust vide SEBI Exemption order reference no. WTD/GM/CFD/54/2020-21 dated December 17, 2020 and accordingly Vasudevan Family Trust vide SEBI Exemption order reference no. WTD/GM/CFD/54/2020-21 dated December 17, 2020 has acquired 22911577 equity shares.

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. 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

The familiarization programme aims to provide information relating to the company, business model of the company to understand the business depth.

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 various familiarisation programmes for the independent directors throughout the year on an ongoing and continuous basis. The details of such familiarisation 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, which:

a) describes the Ombudsperson framework

b) takes into account procedures for investigation and communication of any report on any violation or suspected violation of the Code

c) accepts appeal against any decision; and

d) encourages the submission of complaint against any retaliation. 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

e) An Independent Director is the Ombudsperson. The complaints and reports submitted to the Company and their resolution status are reported through the Ombudsperson to the Audit Committee and, where applicable, to the Board.

During Financial Year 2021-22, no personnel has been denied access to the Audit Committee.

Compliance Regarding Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations) as amended, the Company has a Board approved code of conduct to Regulate, Monitor and Report trading by insiders as well as code of fair disclosure.

Whenever any non-compliance by a designed employee was observed, penalty was levied and amount was remitted to stipulated fund. Audit Committee had reviewed the compliance in terms of Regulation 9A(4) of SEBI PIT Regulations and confirmed that system for Internal Control with respect to PIT are adequate.

Subsidiary Companies

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 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 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 2021-22, which may have had any potential conflict with the interests of the Company at large.

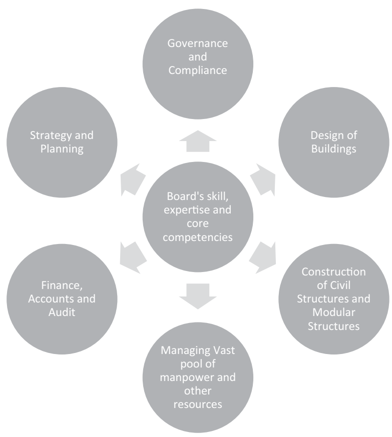
DISCLOSURES

- **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 ensure 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 and 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
Mr. Vasudevan Ramamoorthy*	Expert	Expert	Expert	Expert	Expert	Expert
Mr. Siddharth Vasudevan Moorthy	Expert	Expert	Expert	Expert	Expert	Expert
Mr. V. Mohan**	Expert	Expert	Proficient	Proficient	Expert	Expert
Mr. K. G. Krishnamurthy	Expert	Expert	Proficient	Proficient	Expert	Expert
Ms. Sowmya Aditya Moorthy	Expert	Expert	Expert	Expert	Proficient	Proficient
Mr. Mukesh Satpal Malhotra	Expert	Expert	Proficient	Proficient	Expert	Proficient
Dr. Santosh Sundararajan	Expert	Expert	Expert	Expert	Expert	Expert
Sankaramahalingam Balasubramanian	Expert	Expert	Proficient	Proficient	Expert	Expert

Elevated as Chairman Emeritus w.e.f. 1st June, 2021, He ceased to be Executive chairman, Director and Whole time Director

***Mr. V. Mohan ceases to be Director of the Company on account of his sudden and sad demise on November 05, 2021.*

- **Audit Committee**

Audit Committee was constituted on February 17, 2007. On account of sudden and sad demise of Mr. V. Mohan, the committee was further re-constituted on November 26, 2021. It comprises of 3 directors. Out of three directors two are independent. All 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 LODR: "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.
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 1, 2021.
21. Review of compliance with respect to provisions of SEBI (Prohibition of Insider Trading Code) 2015 atleast once a year.

Meetings and Attendance

During 2021-22, the Audit Committee met five times, viz. May 31, 2021, August 14, 2021, August 21, 2021, November 01, 2021 and February 08, 2022. 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, CEO- Real Estate internal audit functions 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. V. Mohan**	Chairman, Non-Executive-Independent Director	3
Mr. Mukesh Malhotra	Member, Non-Executive-Independent Director	5
Mr. K. G. Krishnamurthy#	Chairman, Non-Executive-Independent Director	5
Mr. Vasudevan Ramamoorthy*	Member, Executive Director	1
Mr. Siddharth Vasudevan Moorthy*	Member, Managing Director	4

**Mr. Vasudevan has been elevated as Chairman Emeritus and he ceases to be Executive Director and Executive Chairman. He is not a part of the Board. Mr. Siddharth Vasudevan Moorthy is appointed as a Member of Audit Committee w.e.f. May 31, 2021*

***Mr. V. Mohan ceases to be a Director on account of his sudden and sad demise on November 05, 2021.*

#Mr. K. G. Krishnamurthy has been appointed as Chairman of the Audit Committee on account of sudden and sad demise of Mr. V. Mohan.

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.

V. Mohan, Chairman of the Audit Committee, was present to answer shareholders' queries at the Annual General Meeting of the Company held on September 28, 2021.

- **Nomination and Remuneration Committee**

  The Nomination and Remuneration Committee was constituted on June 11, 2007. On account of sudden and sad demise of Mr. V. Mohan on November 05, 2021, it was re-constituted on November 26, 2021. It comprises of three directors.

  During 2021-22, the Committee met four times, on May 31, 2021, August 14, 2021, November 01, 2021 and February 08, 2022.

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. V. Mohan*	Member, Non-Executive, Independent	3
Mr. Mukesh Malhotra	Member, Non-Executive, Independent	5
Ms. Sowmya Aditya Iyer	Member, Non-Executive, Non-Independent	5

**Mr. V. Mohan ceases to be a Director on account of his sudden and sad demise on November 05, 2021.*

Mrs. Vibhuti Dani, 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 from, 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 (HR) 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.

K. G. Krishnamurthy, Chairman of the Nomination and Remuneration Committee, couldn't attend the Meeting on account of his other professional commitments, However, Mr. V. Mohan, Member of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on September 28, 2021.

- **Stakeholders Relationship Committee**

The Stakeholders Relationship Committee was constituted on June 11, 2007 and was again reconstituted on November 26, 2021 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	4
Mr. V. Mohan**	Member, Non-Executive, Independent Director	2
Mr. Mukesh Satpal Malhotra	Member, Non-Executive, Independent Director	4
Mr. Vasudevan Ramamoorthy*	Member, Executive Director	1
Mr. Siddharth Vasudevan Moorthy*	Member, Managing Director	3

** Mr. Vasudevan Ramamoorthy has been elevated as Chairman Emeritus and he ceased to be Executive Chairman. He is not a part of the Board. Mr. Siddharth Vasudevan Moorthy is appointed as a Member of Stakeholders Relationship Committee w.e.f. May 31, 2021*

***Mr. V. Mohan ceases to be a Director on account of his sudden and sad demise on November 05 , 2021*

Mrs. Vibhuti Dani, Company Secretary acts as Secretary of the Committee.

- Details of the investor complaints received during the year 2021-22:

No. of complaints at the beginning of the year	No. of shareholder complaints received during the year	No. of complaints resolved during the year	No. of complaints pending to be resolved at the end of the year
April 1, 2021 to June 30, 2021	0	0	0
July 1, 2021 to September 30, 2021	0	0	0
October 1, 2021 to December 31, 2021	0	0	0
January 1, 2022 to March 31, 2022	0	0	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
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.

- **CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Committee is constituted in line with the provisions of Section 135 of the Act.

Terms of reference:

The Committee recommends to the Board, the amount of expenditure to be incurred on CSR activities. The Committee framed a transparent monitoring mechanism for implementation of CSR projects / programs / activities undertaken by the Company as required under Schedule VII of the Act and for monitoring the CSR policy from time to time.

The CSR Policy of the Company was amended by incorporating therein the relevant amendments under the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Composition:

The CSR Committee of the Company consists of 1 Non-Executive & Independent Director, 1 Executive & Non - Independent Director and 1 Non - Executive & Non-Independent Director.

- **Meeting of Independent Directors**

  Pursuant to the Act and the Listing Regulations, the independent directors shall hold at least one meeting in a year without attendance of non–independent directors and members of the Management. Accordingly, independent directors of the Company met on February 08, 2022 and:

  a) noted the report on performance evaluation for the year 2021-22 from the Chairman of the Board;

  b) reviewed the performance of non–independent directors and the Board as a whole;

  c) reviewed the performance of the Chairperson of the Company, taking into account the views of executive director and non–executive directors; and

  d) 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.

  Mr. K. G. Krishnamurthy was elected as the Chairman of the meeting.

- **Risk Management Committee**

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

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

  During the Financial Year 2021-22, 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.

- **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; the details of which forms a part of MGT-7. The same is placed on Company's website at https://www.vascon.com/investors/services.

- **Details of Remuneration to directors**

  During the financial year under review, though company has granted stock options, Independent Directors are not granted shares under ESOS. 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 his disclosed else where in this report.

- **Shareholding of Directors**

  Information on shares held by Directors as on March 31, 2022 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 23, 2019 at 11:00 A.M.	MonarcQ Hall, Royal Orchid Hotels, Opp. Cerebrum IT Park, Kalyaninagar, Pune – 411 014	1. Re-appointment of Mr. V. Mohan (DIN: 00071517) as Non-Executive Director 2. Re-appointment of Mr. K. G. Krishnamurthy (DIN: 00012579) as Non-Executive Director 3. Approval for Payment of Remuneration to Mr. Siddharth Vasudevan Moorthy as Managing Director of the Company 4. Approval for payment of Remuneration to Mr. Vasudevan Ramamoorthy as Whole Time Director(Executive Chairman) of the Company 5. To convert Loan availed from JM Financials Credit Solutions Ltd into equity shares upon the Event of Default
September 29, 2020 at 11:30 A.M.	Video Conferencing/Other Audio-Visual Means (OAVM)	No Special Resolutions were passed at the Annual General Meeting of the Company.
September 28, 2021 at 11:30 A.M.	Video-Conferencing/Other Audio-Visual Means (OAVM)	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

Extra-ordinary General Meeting

During the year 2021-22, 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
September 09, 2021 at 1130 Hours	Video-Conferencing/Other Audio-Visual Means VC/(OAVM)	To Issue Equity Shares on a preferential basis

Postal Ballot

During the Financial Year 2021-22, none of the business items proposed to be transacted at the ensuring Annual General Meeting requires passing of a special resolution through Postal Ballot.

Other Disclosures:

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

The necessary details are provided in Annexure-II of Report of Board of Directors.

b. Details of Non-Compliance by the Company, penalties, 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: NIL.

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-paras (1) to (13) of Schedule V (C) of the Listing Regulations

e. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations: During the year under review, the Company raised the funds through issue of Equity Shares on Preferential Basis. The funds raised through the preferential allotment were utilised for the purpose as specified in the notice of Extra Ordinary General Meeting held on September 09, 2021. The details of fund utilization as on march 31, 2022 is as under:

Particulars	**Funds raised**	**Funds utilized**	**Balance fund**
Raising the funds through issue of Equity Shares on Preferential Basis	₹ 70 Crores	₹ 70 Crores	Nil

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, 2022.

g. Secretarial Auditor's Certificate on Corporate Governance

Certificate from the Company's Secretarial Auditor Mr. Kulbhushan Rane of M/s K. D. Rane and Associates 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) a 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.

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:

(₹ in Lakhs)

Sr. No	**Particulars**	**Statutory Audit Fees**	**Other Services**
1	Vascon Engineers Limited	31.00	22.72
2	GMP Technical Solutions Private Limited	8.25	3.75

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 paragraph A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

l. Disclosure on ESOS

In accordance with undertaking given to BSE while obtaining In Principle Approval for 160,00,000 Equity shares of Rs 10/- each to be allotted under ESOS-2020, it is declared that in the Notice of Postal Ballot dated August 8,2020 the point e of the explanatory statement for Item no. 2 &3, should have read as follows:

"e) Maximum period within which the Options shall be vested

The Options granted under the ESOS - 2020 will vest for a period of 6 years from the date of grant of such Options as mentioned in clause (d)"

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. Website

The primary source of information regarding the operations of the Company is the corporate website: 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 are available**.**

d. Annual Report

The Company's annual report containing, interalia, 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.

e. Reminder to Shareholders

Reminders to encash the unclaimed dividend on shares are sent to the relevant shareholders.

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 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

Pursuant to General Circular No. 02/2022 dated 5th May, 2022 read with Circular Nos. 20/2020, 14/2020, 17/2020, 02/2021 and 21/2021 dated 5th May, 2020, 8th April, 2020, 13th April, 2020, 13th January, 2021 and 14th December, 2021 respectively (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 ("SEBI Circular") respectively, companies are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM) for the calendar year 2022. Accordingly, your Company will be conducting the AGM through VC/OAVM facility.

The detailed instructions for participation and voting at the Meeting is available in the Notice of the 37th AGM. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

37th Annual General Meeting of Vascon Engineers Limited

Venue: The Company is conducting meeting through video conferencing ('VC')/ other audio visual means ('OAVM') pursuant to the MCA circulars. For details please refer to the Notice of AGM

Date : September 28, 2022

Time : 11:30 hours

Compliance Officer of the Company
Mrs. Vibhuti Darshin Dani
Company Secretary & Compliance Officer
T: +91-20-30562200
F: +91-20-30562600
Email: compliance.officer@vascon.com
Website www.vascon.com

b. Financial Year

The Financial Year is 1st April to 31st March

c. Dividend Payment Date: NA

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 Ltd (BSE).

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

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

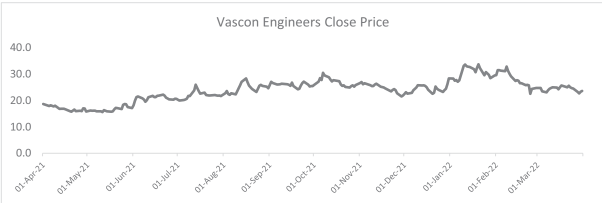
f. Master Price Data:

Month and Year	NSE		BSE	
	High	Low	High	Low
April 2021	19.20	15.45	19.25	15.35
May 2021	19.30	15.40	19.25	15.25
June 2021	22.90	17.55	22.85	17.60
July 2021	26.15	19.70	26.10	19.65
August 2021	29.65	21.55	29.60	21.55

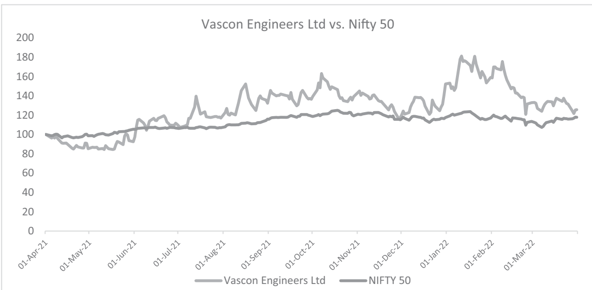
September 2021	28.00	23.10	28.00	23.30
October 2021	31.80	24.45	31.75	24.50
November 2021	27.90	21.00	27.80	21.15
December 2021	29.30	21.80	29.25	21.20
January 2022	36.75	26.85	36.75	26.85
February 2022	33.45	22.15	33.50	22.15
March 2022	26.70	22.40	26.60	22.40

g. Share Price Chart

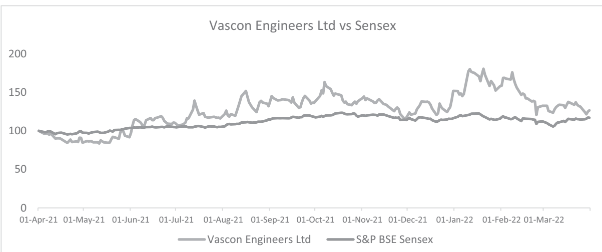
Company's share Price Movement



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. Distribution of Shareholding of the Company as on March 31, 2022

Distribution Schedule As On 31/03/2022 (Total)					
Sr. no	**Category**	**No. of Cases**	**% of Cases**	**Amount**	**% of Amount**
1	1-5000	27,312	67.49	4,87,08,260.00	2.24
2	5001- 10000	5,604	13.85	4,84,26,120.00	2.23
3	10001- 20000	3,103	7.67	5,00,27,960.00	2.30
4	20001- 30000	1,320	3.26	3,50,18,430.00	1.61
5	30001- 40000	558	1.38	2,06,46,710.00	0.95
6	40001- 50000	673	1.66	3,25,63,130.00	1.50
7	50001- 100000	910	2.25	7,09,54,040.00	3.27
8	100001& Above	986	2.44	1,86,68,26,460.00	85.90
	Total:	**40,466**	**100.00**	**2,17,31,71,110.00**	**100.00**

j. Shareholding Pattern of the Company as on March 31, 2022

Sr. No	Description	No. of Cases	Total Shares	% Equity
1	BANKS	1	2,000	0.00
2	BODIES CORPORATES	270	4,30,90,932	19.83
3	CLEARING MEMBERS	49	6,45,217	0.30
4	EMPLOYEES	58	1,54,93,871	7.13
5	FOREIGN PORTFOLIO - CORP	1	3,45,012	0.16
6	H U F	1,306	37,34,475	1.72
7	I E P F	1	3,592	0.00
8	NON RESIDENT INDIAN NON REPATRIABLE	86	2,03,486	0.09
9	NON RESIDENT INDIANS	219	7,42,933	0.34
10	PROMOTERS	6	5,99,12,145	27.57
11	PROMOTERS BODIES CORPORATE	1	95,99,275	4.42
12	RESIDENT INDIVIDUALS	38,468	8,35,44,173	38.44
	Total:	**40,466**	**2,17,317,111**	100.00

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

No instrument is outstanding for Conversion and/or allotment.

l. Investor Complaints

During the year total NIL complaints were received from shareholders /investors.

Investor Complaints Status as on March 31, 2022:

Particulars	No. of Complaints Received	No. of Complaints Resolved	No. of Complaints Pending
April 1, 2021 to June 30, 2021	0	0	0
July 1, 2021 to September 30, 2021	0	0	0
October 1, 2021 to December 31, 2021	0	0	0
January 1, 2022 to March 31, 2022	0	0	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/

m. 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.

n. Credit Rating

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

Instrument	Rating Agency	Rating	Outlook
Long Term Bank Facilities	ACUITE	BBB	Stable
Long Term Non-Convertible Debentures	ACUITE	BBB	Stable
Short Term Instrument	ACUITE	A3+	NA

o. Dematerialization of shares

As stipulated by SEBI, a qualified Practicing 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.

Shares held in demat and physical form as on March 31, 2022 were as follows:

Category	No. of shares	% to total Equity
Demat Mode	217317109	0.99%
Physical Mode	2	0.01%
Total	**217317111**	**100%**

SEBI, effective April 01, 2019, banned 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.

p. Share Transfer system:

The Company's Shares are covered under the compulsory dematerialisation and are transferred through the depository system. The Board has delegated the authority for approving the transfer to Shareholders Relationship Committee. The Company obtained ~~half~~ 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

Registrar and Transfer Agents

- **KFIN Technologies Limited (formerly known as Kfin Technologies Private Limited)**

  Selenium Tower B, Plot no 31-32, Gachibowli
  Financial District, Nanakramguda, Hyderabad – 500 032
  Telephone: 040-67162222, 18003094001
  Facsimile: +91 40 2343 1551
  Toll free : 18003094001
  Investor grievance id: einward.ris@kfintech.com
  Website: www.kfintech.com
  Contact Person: Mr. S. V. Raju
  SEBI Registration NO: INR000000221

- **Debenture Trustees**

  The details of Debenture Trustees in terms of SEBI Circular Number CIR/IMD/DF/18/2013 dated October 29, 2013 are given as under:

  Axis Trustee Services Limited
  CIN: U74999MH2008PLC182264
  Registered Office: Axis House,
  Bombay Dyeing Mills Compound,
  Pandhurang Budhkar Marg,
  Worli Mumbai – 400025
  Contact NO . 022 – 62300435
  Email: report@axistrustee.com

a. 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.

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

  KFin Technologies Limited (Formerly known as Kfin Technologies Private Limited)
  Selenium Building, Tower-B,
  Plot no.31 & 32, Financial District,
  Nanakramguda,Serlingampally,
  Hyderabad - 500 032. Telangana
  Telephone: +91 40 6716 2222
  Toll free no.: 1800 309 4001

Facsimile: +91 40 2343 1551
Investor grievance id: einward.ris@kfintech.com
Website: https://www.kfintech.com/
Contact Person: Mr. S V Raju,
SEBI Registration No.: INR000000221

OR

VASCON ENGINEERS LIMITED
Mrs. Vibhuti Darshin Dani
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 ManagingDirector 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 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 (N&R)/ Audit Committee (AC) (minutes of AC & N&R 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), 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).
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 is 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 2021-22.

Siddharth Vasudevan Moorthy
Managing Director

Place Pune
Date: May 23, 2022

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

Date: May 23, 2022

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.**

Dr. Santosh Sundararajan
Group Chief Executive Officer

Mr. Somnath Biswas
Chief Financial Officer

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 35 years, your Company has created a number of projects of eminence and splendor on a timely basis. The Company has executed over 200 projects with construction area of over 50 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 many more.

Macro-Economic Review

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion.

Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the "second wave" in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe. Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020- 21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction. Total Consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions from government spending. Similarly, Gross Fixed Capital Formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. Exports of both goods and services have been exceptionally strong so far in 2021-22, but imports also recovered strongly with recovery in domestic demand as well as higher international commodity prices. With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23.

(Source: Economic Survey 2021-22)

Right when the global economy seemed to be at the cusp of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind (despite uncertainties associated with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis escalated. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up. The conflict has also brought in severe financial sanctions and political pressure on Russia from the rest of the world, primarily the Western powers. It is obvious that these will likely have unpredictable and undesired implications on the global financial system and economy. Global investors, for instance, are shoring up their money into safer-haven assets such as gold and US Treasuries, while equity markets in emerging countries, which were seeing capital outflows since the US Federal Reserve's announcement to taper asset purchases in November, are in a state of flux.

It is, therefore, no surprise that the war in Ukraine and its potential economic impact have forced several economic forecasters to go back to their drawing boards and revise their growth projections for this year—most now point to less-than-expected growth in 2022. Even though there is little visibility into how long the conflict will last, our economists believe that the crisis could hurt growth in the United States and the United Kingdom by 0.3–0.5% in 2022.

Understandably, the crisis has clouded India's growth outlook as well. Crude oil prices are lingering above US$100 per barrel, wheat has gone up by 50% in the last two weeks, and edible oil prices are up 20%—all of which are critical imports from the two warring nations. India also partly meets its fertilizer needs from the region. For India, which has been battling inflation for a while now, this situation is making matters worse. Higher fuel and fertilizer prices will reduce government revenues and increase subsidy costs. Furthermore, capital outflows and rising import bills will weigh on the current account balance and currency valuation.

It's not just India, but almost all emerging economies are reeling under these external shocks. We, however, believe that India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Furthermore, the emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. Global in-house centers and multinationals, for instance, may prefer India over Eastern European markets (especially those that border Ukraine) to shift their current operations or open new facilities. On the health front, a large, vaccinated population will likely help contain the impact of subsequent infections waves, if any.

On the back of these factors, we expect India to grow at 8.3–8.8% during FY2021–22, followed by equally strong growth of more than 7.5% and 6.5% in the next two fiscal years, respectively. This will likely mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years.

(source: India Economic Outlook - Deloitte 5th April 2022)

India's Civil Construction & Real Estate Sector

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. ▪ Real estate sector in India is expected to reach US$ 1 trillion by 2030. By 2025, it will contribute 13% to the country's GDP.

▪ Rapid urbanisation bodes well for the sector. The number of Indians living in urban areas is expected to reach 525 million by 2025 and 600 million by 2036.

▪ Construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development & activities) stood at US$ 52.48 billion between April 2000 to December 2021.

▪ Government of India's 'Housing for All' initiative is expected to bring US$ 1.3 trillion investment in the housing sector by 2025.

▪ India's Global Real Estate Transparency Index ranking improved by five notches from 39 to 34 since the past six years from 2014 until 2020 on the back of regulatory reforms, better market data and green initiatives, according to property consultant JLL.

▪ Home sales volume across seven major cities in India surged 113% YoY to reach ~62,800 units in the third quarter 2021, from 29,520 units in the same period last year, signifying healthy recovery post the strict lockdown imposed in the second quarter due to the spread of COVID-19 in the country.

▪ The residential sector is expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space

Union Budget:

Union Budget 2022-23 continues to provide impetus for growth. It lays a parallel track of (1) a blueprint for the *AmritKaal*, which is futuristic and inclusive. This will directly benefit our youth, women, farmers, the Scheduled Castes and the Scheduled Tribes. And (2) big public investment for modern infrastructure, readying for India at 100

PM GatiShakti

PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. All seven engines will pull forward the economy in unison. These engines are supported by the complementary roles of Energy Transmission, IT Communication, Bulk Water & Sewerage, and Social Infrastructure. Finally, the approach is powered by Clean Energy and *SabkaPrayas* – the efforts of the Central Government, the state governments, and the private sector together – leading to huge job and entrepreneurial opportunities for all, especially the youth.

Road Transport

PM GatiShakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. ` 20,000 crore will be mobilized through innovative ways of financing to complement the public resources.

Multimodal Logistics Parks

Contracts for implementation of Multimodal Logistics Parks at four locations through PPP mode will be awarded in 2022-23.

Housing for All

In 2022-23 80 lakh houses will be completed for the identified eligible beneficiaries of PM Awas Yojana, both rural and urban. ₹ 48,000 crore is allocated for this purpose.

The Central Government will work with the state governments for reduction of time required for all land and construction related approvals, for promoting affordable housing for middle class and Economically Weaker Sections in urban areas. We shall also work with the financial sector regulators to expand access to capital along with reduction in cost of intermediation.

Opportunities for Growth

The COVID-19 led economic crisis adversely affected the global and domestic economy. The Infrastructure sector growth is critical for economic revival and achieve an ambitious target of $5 trillion economy by 2025. Rapid urbanization, government-led infrastructure, smart cities, housing, healthcare, transportation, coupled with various policy reforms, increasing foreign investor spend and shared economy model to be the key drivers fueling the overall growth in in Indian Construction and Real Estate Industry. Vascon Engineers has prepared a comprehensive strategy to capture opportunity in both the EPC and Real Estate Development Business.

Outlook

The budget for this year provides impetus on growth through various policies laying the blueprint to steer the economy for the longer term. Capital expenditure budget increased by 35% to ₹7.5 trillion from ₹5.5 trillion, infrastructure growth focus in various sectors outlined under the PM Gati Shakti Scheme including roads, railways, ports, airports, logistics and PM Awaaz Yojana which focuses towards affordable housing. Government of India aims to spend ₹10 lakh Crores on infrastructure creating strong visibility for the infrastructure sector.

The Company's order book stands at ₹ 1,832 Crores, forming 4.5 times bill to book ratio, ensuring strong visibility for the EPC segment for next 2-3 years. Further, your Company have identified new real-estate launched, proving further visibility for growth. During the last few years, your Company has focused on debt reduction, Bank Guarantee enhancement and efficient working capital management. These efforts are bearing fruits; during these unprecedented times, your Company ably maintained adequate liquidity for execution of projects. With the improving operating efficiency and adequate liquidity in place your Company is well-prepared to capitalize on the arising opportunities going forward.

Financial Performance with respect to operational performance

COMPANY PERFORMANCE

The company witnessed strong execution backed by return of gradual normalcy. The successful mass vaccination drive by Government of India mitigated the impact of third wave thus safeguarding from any material impact on regular business activities. In FY22 all the projects were operating at optimum level enabling faster project execution. Company believes that the execution will continue to gather momentum going forward. Company has also reduced its debt substantially. As on March 2022, the net debt has come down to ₹ 58.72 Crores from ₹134.06 Crores in March 2021. In addition, the company has received a rating upgrade during the FY22.

The EPC segment during the quarter witnessed a fast-track execution of the projects. EPC segment revenue stood at ₹ 412.96 Crores for FY22, major projects namely the Maharashtra State Police Housing, PWD, Raipur Hospitals that Kaushambi and Bijnor are running smoothly. Third wave of the COVID 19 pandemic had no material impact on our execution. The order book close to ₹ 1,832 Crores. We envisage the EPC segment to deliver strong performance going forward.

The real estate segment after various headwinds in the recent past is gaining momentum. There is gradual recovery in the demand as economy moves towards normalcy. Company's real estate revenue stood at ₹ 49.69 Crores for FY 22. A quick update on the ongoing projects; Forest Edge B is 95% sold, Windermere is 74% sold and Vascon Good Life is sold at 63%.

GMP business continues to deliver sustainable performance with revenue of ₹ 194.29 Crores for FY 22 and healthy gross margins of 33%. EBITDA stood at ₹ 16.69 Crores for FY 22

Consolidated Financial Performance

- Total Consolidated Revenue stood at ₹656.86 crores as against Rs 505.77 crores in FY 2020-21
- EBITDA stood at ₹75.58 crores as against ₹ (0.99) crore in FY 2020-21
- Profit after tax stood at ₹35.92 crores as against ₹ (40.28) crore in FY 2020-21
- As on March 31, 2022, Total consolidated debt stood at ₹ 157.16 crores as against ₹214.08 crores on March 31, 2021
- Net worth ₹811.36 crores as on March 31, 2022 compared to ₹699.16 crores as on March 31, 2021

Working Capital Management

- Current assets as on March 31, 2022 stood at ₹ 1176.86 crores compared to ₹ 1001.39 crores as on March 31, 2021
- Current ratio as on March 31, 2022 stood at 1.86 times compared to 1.82 times as on March 31, 2021
- Inventories stands at ₹ 514.42 crores as on March 31, 2022 as against ₹459.25 crores as on March 31, 2021
- Loan & Other Financial Assets stood at ₹ 364.22 crores in FY2021-22 compared to ₹ 265.26 crores in FY 2020-21
- Current liabilities stood at ₹ 630.83 crores on March 31, 2022 compared to ₹ 548.38 crores as on March 31, 2021
- Cash and bank balances was at ₹ 98.44 crores as on March 31, 2022 compared to ₹80.04 crores as on March 31, 2021.

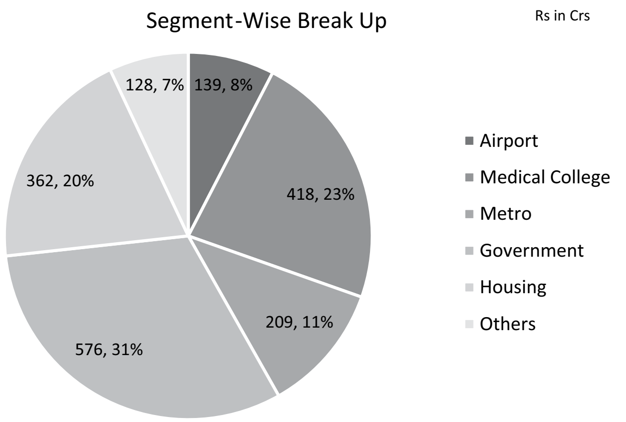
Key Ratios

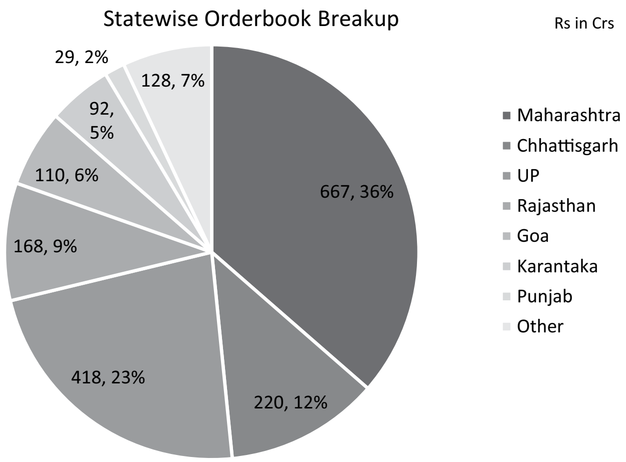
- Debtors' turnover: The Company's debtors' turnover stood at 91 days in FY2021-22 as compared to 125 days in FY2020-21;
- Inventory turnover: Inventory turnover stood at 343 days FY2021-22 as against 426 days in FY2020-21; major inventory is related to Real Estate Division and it also includes inventory for project which are not yet launched
- Interest coverage ratio: The Company's interest coverage ratio stood at 2.65 times in FY2021-22 against (0.49) in FY2020-21;
- Current ratio: The Company's current ratio stood at 1.87 in FY2021-22 compared to 1.83 the last fiscal
- Debt to Equity ratio: Debt to Equity Ratio stood at 0.19
- On standalone basis, Company reported operating profit of ₹ 33.49 crores in FY2021-22 compared to the profit of ₹ (36.88) crores in FY2020-21
- Net profit/loss: Company reported the profit of ₹ 35.91 crores in FY2021-22 as compared to ₹ (40.28) crores loss in FY2020-21;
- Return on net worth: The return on net worth stood at 4.42% in FY2021-22.

ENGINEERING PROCUREMENT & CONSTRUCTION

Geographical Order Book Split

Order Book Segment-wise





REAL ESTATE

ONGOING PROJECTS:

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

Xotech – Phase II, Hinjewadi, Pune

Residential Project amidst the IT Hub of the city, comprising 71 exclusive smart 2BHK apartments, which intends to provide quality living and premium housing. The project is sprawled across 2 acres, with a total saleable area of 0.04 msft. The project offers over 85% of open space for a spacious, congestion free, living experience. Well surrounded by IT/BT companies, schools, colleges, bank, shopping arcades and Hotels.

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 last few years, your Company's resilient efforts were towards stabilisation of GMP Business, resultant, the GMP division has achieved an EBITDA positive during the last fiscal, and in spite of COVID-19, and the same is sustained during such a challenging period. GMP continues to deliver sustainable performance with revenues of ₹ 194 crore in Fiscal 2022 and healthy gross margin of 33%. Your Company continues to focus towards sustainable improvement and achievement of marquee projects like those from Tata Group demonstrating Company's ability and preparedness. Going forward, GMP division to further value add towards the profitability of the Company.

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 in-house 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

Opportunities

- 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. These 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 continue to focus on improving operational efficiencies and strengthening of Balance Sheet through cash flow generation via monetization of identified non-core assets to improve liquidity and achieve higher growth

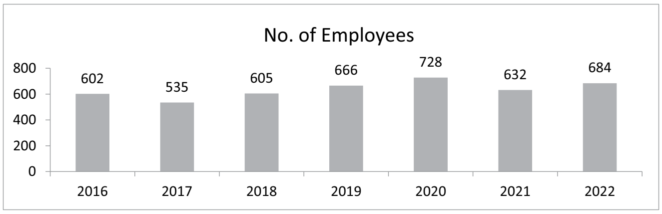
THREATS, RISKS, CONCERNS

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

Over the years, your Company has built a team across functions and across levels for both business verticals. Presently, our team is led by industry leaders and enables us to grab the large opportunities available in front of us. Vascon treats its employees as an asset and promotes fair HR practices, and employee friendly policies and processes. Your Company continues to provide adequate opportunities for professional growth and provides regular training to enhance the skills and capabilities of its employees. During the unprecedented times, your Company adopted stringent safety measures to safeguard our employees from Covid-19 and extended support to the employees during the difficult phase of lockdown.



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, 2022, 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 significant 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, 2022, 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.

Emphasis of Matter

We draw attention to Note 46 to the Standalone Financial Statements, which describes the economic and social consequences the entity is facing as a result of Covid-19, which is impacting operations of the Company, supply chains, personnel available for work etc.

Our opinion is not modified in respect of this matter of emphasis.

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	Auditor's Response
1	**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 judgements regarding 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 wide range of contracts each having different risk profile based on its individual nature of performance and delivery characteristics. Changes in cost estimate could give rise to the variances in the amount of revenue recognised and profit/loss recognised. Accordingly, this matter has been identified as KAM.	**Principal Audit Procedures:** Our audit procedures on revenue recognition from construction contract consisted mainly 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 includes following: • Assessed the Company's process to identify revenue recognition and cost estimation as per the requirement of the revenue accounting standard. • Evaluation of the internal control designs relating to the revenue accounting standards, • Selected an appropriate sample of contracts and evaluated them along with the supporting evidence to determine whether various elements of revenue recognition as well 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 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.

Management 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, 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 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 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 aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 and based on our audit we report 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;
   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), 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, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
   e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 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;
   g) 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 director by the company is in excess of the limit laid down under Section 197 of the Act, 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 comment upon by us; and
   h) 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, 2022 on its financial position in its Standalone Financial Statements - Refer note 30 to the Standalone Financial Statements.
      ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
      iv. (a) The Management has represented that, to the best of its knowledge and belief, 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. During the year Company as not declared / paid any dividend hence reporting under rule 11 f is not applicable to that extent.

SHARP & TANNAN ASSOCIATES
Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

CA Tirtharaj Khot
Partner
Membership No.: (F) 037457
UDIN: 22037457ALIBLB5465

Pune, May 23, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(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 situation of Property, Plant and Equipment (PPE) of the Company.

(B) The Company has maintained proper records showing full particulars of 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 on 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 is no any proceeding 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) having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals and in our opinion the coverage and procedure of such verification by the management is appropriate and no discrepancies more than 10% were noticed on physical verification.

(b) during the year company has renewed its working capital facility in excess of five crores rupees, in 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 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 the subsidiaries, joint ventures and associates and other than subsidiaries, joint ventures and associates except the investment made and Inter Corporate Deposit (ICD) given to the subsidiary, the details are as follows;

(Rs. In Lakhs)

Particulars	Investment	Loans (ICD)
Aggregate amount granted / provided during the year		
Subsidiary Company	2,668.00	2,118.00
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiary Company	2,668.00	2,175.96

(b) During the year company has made investments in and provide ICD to the subsidiary as per clause (iii) (a) and the terms and conditions of the investment in the subsidiary and the grant of ICD are not prejudicial to the company's interest. The company has not given the security or provided any guarantees or advances in the nature of loans to any subsidiaries, joint ventures, associates and other parties.

(c) In respect of ICD granted during the year by the Company as referred in clause (iii)(a), the schedule of repayment of principal and payment of interest has been stipulated, according to the information and explanation given to us and based on our examination, the ICD and interest thereon was not due for the repayment during the year.

In respect of certain opening outstanding loans, the repayments of principal amounts and payment of interest are regular as per stipulation, except in the case of following parties;

Sr. No.	Name of Entity	Amount (Rs. In Lakhs)	Due Date	Extent of delay
1	Khushal Properties Pvt. Ltd.	2,436.68	03-01-2019	1,183
2	Rose Premises Pvt. Ltd.	1,719.75	03-01-2019	1,183
3	Rajan Khinvasara (Rose Premises)	90.00	03-01-2019	1,183
	Total	**4,246.43**		

In respect of certain opening outstanding loans, there is no stipulation of repayments of principal amounts and payment of interests. Accordingly, we are not able to comment on regularity of loan repayment and payment of interest of the following parties;

Sr. No.	Name of Entity	Amount (Rs. In Lakhs)
1	Raj Kanksen Bhansali	440.00
2	Shree Madhur Realtors Pvt. Ltd.	440.00
3	Dhiren Popatlal Nandu	220.00
4	Aristo Properties	187.50
5	One Stop Shop India Pvt. Ltd.	170.35
	Total	**1457.85**

(d) According to the information and explanation given to us and based on the audit procedures performed by use, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date, except the cases mentioned below;

(Rs. In Lakhs)

No. of cases	Principal Amount Overdue	Interest Overdue	Total Overdue	Remarks (if any)
8	5,704.28	-	5,704.28	The Company has taken reasonable steps to recovery of the loan amount.

The Company has taken reasonable steps to recovery of the loan amount.

(e) According to the information and explanation given to us and based on our verification there are certain loans and advances in the nature of loan have been renewed or extended, which has been mentioned below in tabular format. During the year there are no fresh loans has been granted to settle the overdue of existing loans given to the same parties.

Sr. No.	Name of the parties	Aggregate amount of overdue of 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.	259.08	12%
2	Marathawada Realtors Pvt. Ltd	105.52	5%
	Total	**364.60**	**17%**

(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
Aggregate amount of loans in nature of loans		
- Repayable on demand **(A)**	8,411.43	2,704.65
- Agreement does not specify any terms or period of repayment **(B)**	-	-
Total (A+B)	**8,411.43**	**2,704.65**
Percentage of loans in nature of loans to the total loans	**100%**	**32%**

(iv) According to 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 any 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 para 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 made 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, 2022 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	Period to which the amount relates	Due Date	Date of Payment	Amount Paid Subsequently
Employee Provident Fund Act, 1952	Provident Fund	0.64*	May 2018 to Mar 2019	15th of the following month	-	-
		0.04*	Apr 2019 to May-19		-	-
		73.18	Sep-21		-	-
Income Tax Act	TDS- Salary	319.31	Sep-21	7th of the following month	21 Apr 2022	59.45
Employees State Insurance Act, 1948	ESIC	0.48	Aug-18	15th of the following month	-	-
Goods and Service Tax Act	Goods and Service Tax Act	109.69	May-19	20th of every following month	-	-
Sales Tax Act	Sales Tax	12.19	Apr 2011 to Mar-12		-	-
		117.51	Jun-17		-	-
	TDS-MVAT	3.14	May-17		-	-

* We have been informed by the company that due to some technical reasons, 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, Cess which have not been deposited as on March 31, 2022 on account of disputes are given below:

(Rs. In Lakhs)

Name of the Statute	Nature of disputed dues	Forum where dispute is pending	Period to which it relates	Amount Involved	Amount Unpaid
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2009-10	233.33	233.33
Sales Tax Act	Sales Tax / Value Added Tax / Central Sales Tax	Commercial Tax Officer, Goa	2010-11	44.68	44.68
		Joint Commissioner, Mumbai	2008-09 to 2014-15	957.28	936.66
			2015-16	77.67	73.90
			2016-17	74.20	74.20

(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 para 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, however company and one lender (NBFC) mutually extended the repayment of principal by 12 months from existing '31st December, 2020 ending on 16th May, 2022' to Post Date of Commencement of Commercial Operations (DCCO) '31st December, 2021 ending on 16th May, 2023' the date September 2021.

The company renegotiated the terms with debenture holders of Zero Coupon, rupee denominated unrated unlisted secured non-convertible debentures and agreed for payment on September 2021 instead of June 2021,

(b) the company has not declared wilful defaulter by banks or financial institutions or other lenders Accordingly, reporting on para 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 not raised additional term loan or disbursed the balance sanction. Accordingly, reporting on para 3 clause (ix) (c) of the Order is not applicable to the Company.

(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 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 para 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 moneys by way of initial public offer or further public offer (including debt instruments), Accordingly reporting on para 3 clause (x) (a) is not applicable.

(b) According to the information and explanation provided to us and based on records examined by us, during the year the Company has 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 have been complied with. The company has utilized funds raised by way of preferential allotment for the purposes for which they were raised. During the year the company has not made the private placement of shares or convertible debentures (fully, partially or optionally convertible).

(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 there is no any 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 Para 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 Section 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 Para 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 the cash losses in the current year, for the immediately preceding financial year the company has incurred the cash losses of Rs.1,681.63 Lakhs.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting on Para 3 Clause (xviii) is not applicable.

(xix) According to the information and explanations 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, 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 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 record examined by us, we report that company has calculated the CSR liability as per the section 135 of the act and spent the same towards the fund specified in schedule VII of the act. There is no any unspent amount available at the balance sheet date, accordingly para 3 clause (xx) (a) and (b) of the order are not applicable.

(xxi) The reporting under Para 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 23, 2022

UDIN: 22037457ALIBLB5465

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(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, 2022 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, 2022, 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").

Management's 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 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 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

Sd/-
CA Tirtharaj Khot
Partner
Membership No.: (F) 037457
UDIN: 22037457ALIBLB5465

Pune,
May 23, 2022

Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A **ASSETS**			
1 **Non-current assets**			
(a) Property, Plant and Equipment	3	2,608.35	2,472.55
(b) Capital work-in-progress		0.03	0.00
(c) Investment Property	4	1,517.57	1,598.71
(d) Other Intangible assets	3	3.91	3.91
(e) Right of Use Assets	3	72.69	33.50
(f) Financial Assets			
(i) Investments	5	17,709.30	16,889.25
(ii) Loans	6	105.52	-
(iii) Others Financial Assets	7	9,877.15	9,798.50
(g) Income Tax Assets (net)		842.22	830.32
(h) Other non-current assets	8	2,609.98	1,681.49
Total Non - Current Assets		**35,346.72**	**33,308.22**
2 **Current assets**			
(a) Inventories	9	43,910.84	44,078.00
(b) Financial Assets			
(i) Investments	5	406.68	312.70
(ii) Trade receivables	10	10,713.29	11,469.20
(iii) Cash and cash equivalents	11	1,359.76	1,935.79
(iv) Bank balances other than (iii) above	11	4,333.31	3,855.23
(v) Loans receivables considered good - Unsecured	6	8,429.89	6,567.12
(vi) Others Financial Assets	7	29,709.50	19,807.99
(c) Other current assets	8	2,926.97	2,708.50
Total Current Assets		**101,790.24**	**90,734.53**
Total Assets (1+2)		**137,136.96**	**124,042.75**
B **EQUITY AND LIABILITIES**			
1 **Equity**			
(a) Equity Share capital	12	21,731.71	18,213.67
(b) Other Equity	12.1	58,761.44	51,208.99
Equity attributable to owners of the Company (I)		**80,493.15**	**69,422.66**
LIABILITIES			
2 **Non-current liabilities**			
(a) Financial Liabilities			
(i) Borrowings	13	1,471.86	4,318.80
(ia) Lease Liability	13 (i)	101.84	16.97
(ii) Other financial liabilities	14	1,280.95	1,572.58
Total Non - Current Liabilities		**2,854.65**	**5,908.35**
3 **Current liabilities**			
(a) Financial Liabilities			
(i) Borrowings	13	12,279.05	15,396.58
(ia) Lease Liability	13 (i)	37.37	86.86
(ii) Trade and other payables			
-Total outstanding dues of micro enterprises and small enterprises	15	1.90	24.03
-Total outstanding dues of creditors other than micro enterprises and small enterprises	15	25,603.82	21,463.69
(iii) Other financial liabilities	14	208.18	1,075.89
(b) Provisions	16	1,727.34	1,542.02
(c) Other current liabilities	18	13,931.50	9,122.67
Total Current Liabilities		**53,789.16**	**48,711.74**
Total Equity and Liabilities (1+2+3)		**137,136.96**	**124,042.75**
Significant accounting policies			
See accompanying notes forming part of the financial statements.	2		

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Statement of Profit and Loss for the Year Ended March 31, 2022

(₹ in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	19	46,264.58	35,722.68
II	Other Income	20	5,371.35	1,123.00
III	**Total Income (I + II)**		**51,635.93**	**36,845.68**
IV	**EXPENSES**			
	(a) Cost of materials and services consumed	21.a	38,605.95	28,077.32
	(b) Purchases of Stock-in-trade		0.67	1.43
	(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	21.b	272.33	2,780.16
	(d) Employee benefit expense	22	3,819.01	3,389.65
	(e) Finance costs	23	2,139.94	2,451.33
	(f) Depreciation and amortisation expense	3 & 4	514.65	721.61
	(g) Other expenses	24	2,873.45	3,111.50
	Total Expenses (IV)		**48,226.00**	**40,533.00**
V	**Profit before tax (III - IV)**		**3,409.93**	**(3,687.32)**
VI	**Tax Expense**			
	(1) Current tax	17	-	-
	(2) Deferred tax	17	-	-
	(3) (Excess) / Short provision for tax of earlier years	17	60.93	0.16
	Total tax expense VI		60.93	0.16
VII	**Profit after tax (V - VI)**		**3,349.00**	**(3,687.48)**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit liabilities / (asset)		16.62	(111.01)
IX	**Total comprehensive income for the Year (VII + VIII)**		**3,365.62**	**(3,798.49)**
X	**Earnings per equity share**			
	(1) Basic (in Rs.)	25	1.68	(2.05)
	(2) Diluted (in Rs.)	25	1.68	(2.05)
	Significant accounting policies **See accompanying notes forming part of the financial statements.**	2		

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Cash Flow Statement - Indirect Method

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flows from operating activities		
Profit / (Loss) before tax for the year	3,409.93	(3,687.32)
Adjustments for:		
Finance costs	2,139.94	2,451.33
Dividends received from Joint Venture/ shares	(13.09)	(173.88)
(Gain)/ loss on Sale of Assets	(347.09)	(337.95)
Depreciation	514.65	721.61
Interest received	(538.38)	(419.97)
Expense recognised in respect of equity-settled share-based payments	304.85	224.40
Provision for doubtful debts and advances	55.10	1,284.82
Provision / Creditors no longer required written back	(234.28)	(153.18)
Gain / (loss) on investments carried at fair value	0.89	1.90
Dividend received on investments carried at fair value through profit or loss	(3.98)	(9.78)
Commision (Net)	30.28	44.31
Profit on Sale of Investment	(4,213.48)	-
Provision for diminution in value in investment	1,100.00	-
	2,205.34	**(53.71)**
Movements in working capital:		
(Increase)/decrease in trade and other receivables	2,603.02	995.95
(Increase)/decrease in amounts due from customers under construction	(9,820.56)	(2,339.29)
(Increase)/decrease in inventories	1,296.72	3,249.84
(Increase)/decrease in other financial assets	(125.30)	(797.75)
(Increase)/decrease in Financial asset Loans	(1,968.30)	178.04
(Increase)/decrease in other current and non current assets	(1,147.17)	(59.34)
Increase/(decrease) in other liabilities	2,683.17	(654.32)
Increase/(decrease) in trade and other payables	4,329.27	4,028.81
Increase/(decrease) in provisions	202.82	(99.54)
Cash (used in)/generated from operations	**259.01**	**4,448.69**
Income tax refund / (paid)	(72.77)	502.85
Net cash (used in)/generated by operating activities	**186.24**	**4,951.54**
Cash flows from investing activities		
Purchase of fixed assets including work in progress	(670.11)	(196.97)
Proceeds from disposal of Fixed assets	408.67	459.98
Dividends received from Joint Venture /Shares	13.09	173.88
Proceeds on redemption / (Investment) of Liquid Mutual Fund	(90.89)	1,498.58
Investment in Fixed deposits with Banks	(555.02)	(363.93)
(Proceeds) / Redemption from Sale of Investment	4,550.69	-
Investment in Subsidiaries / Joint Venture	(2,507.94)	60.00
Net cash (used in)/generated by investing activities	**1,148.49**	**1,631.54**
Cash flows from financing activities		
Proceeds from issue of Equity Shares	7,400.00	400.00
Repayment of borrowings	(6,679.29)	(5,539.54)
Proceeds from borrowings	740.00	1,809.00
Proceeds / (repayment) of Lease Liabilities	35.38	-
Interest received	550.60	402.61
Finance cost including capitalized to qualifying assets	(3,932.20)	(3,636.04)
Net cash (used in)/generated by financing activities	**(1,885.51)**	**(6,563.97)**
Net increase / (decrease) in cash and cash equivalents	(550.78)	19.10
Cash and cash equivalents at the beginning of the year (Refer Note-11 A)	1,875.52	1,856.42
Cash and cash equivalents at the end of the year (Refer note -11 A)	**1,324.74**	**1,875.52**

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Statement of Changes in Equity for the year ended 31st March, 2022

(₹ in Lakhs)

A. Changes in Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the begining of the year	18,213.67	17,813.67
Issue of equity shares under employee share option plan	400.00	400.00
Issue of Preferential equity shares	3,118.04	-
Balance at the end of the year	**21,731.71**	**18,213.67**

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, 2020	55,493.35	1,537.50	1,537.64	1,250.00	(5035.41)	54,783.08
Premium on Shares issued during the year	-	-	-	-	-	-
Amount recorded on Grant	-	-	224.40	-	-	224.40
Transferred to securities premium reserve on exercise	605.60	-	(605.60)	-	-	-
Other Comprehensive income for the year	-	-	-	-	(111.01)	(111.01)
Profit / (Loss) for the Year	-	-	-	-	(3687.48)	(3687.48)
Balance at the end of the reporting Year - Mar 31, 2021	**56,098.95**	**1,537.50**	**1,156.45**	**1,250.00**	**(8833.90)**	**51,208.99**

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, 2021	56,098.95	1,537.50	1,156.44	1,250.00	(8833.90)	51,208.99
Premium on Shares issued during the year	3,881.96	-	-	-	-	3,881.96
Amount recorded on Grant	-	-	304.85	-	-	304.85
Transferred to securities premium reserve on exercise	605.60	-	(605.60)	-	-	-
Other Comprehensive income for the year	-	-	-	-	16.62	16.62
Profit / (Loss) for the Year	-	-	-	-	3,349.02	3,349.02
Balance at the end of the reporting Year - Mar 31, 2022	**60,586.51**	**1,537.50**	**855.68**	**1,250.00**	**(5468.26)**	**58,761.44**

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

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Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Notes forming part of the financial statements

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 Novatel Hotel , Opposite Hyatt Hotel, Pune Nagar Road, Pune - 411014’.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorise for issue on May 23, 2022.

2. SIGNIFICANT 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.

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 transfered to the buyer all significant risk and rewards of ownership and seller retains no effective control of the real estate to a degree usally associated with owner ship.
- The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction.
- No significant uncertianty exists regardging 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 contruction / 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 Occuancy/Completion certificate is carried over as construction work in progress. Costs incurred for projects which have received Occupancy/ Completion ceritificate 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 furthur 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. The Company has taken a policy with LIC of India for future payment of compensated absences encashment to its employees.

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

Business combinations are accounted for using the acquisition method. The purchase price is allocated to the assets acquired and liabilities assumed based on their estimated fair market values. Any excess purchase price over the fair market value of the net assets acquired, including identified intangibles, is recorded as goodwill. Preliminary purchase price allocations are made at the date of acquisition and finalized when information needed to affirm underlying estimates is obtained, within a maximum allocation period of one year. Goodwill is subject to impairment testing at least annually. In addition, goodwill is tested more frequently if a change in circumstances or the occurrence of events indicates that potential impairment exists.

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.

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 pronoucements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

- **Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

- **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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".

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, 2021	66.06	7,386.77	501.82	200.69	736.02	338.88	**9,230.24**	**559.28**	1,053.97	100.78	**1,154.75**
Additions	-	471.41	8.75	111.25	9.49	-	**600.90**	**1.47**	56.84	10.87	**67.71**
Disposals	-	(437.53)	(6.24)	(56.13)	(0.47)	-	**(500.37)**	**-**	-	-	**-**
As at Mar 31, 2022 (A)	**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**
Accumulated depreciation											
As at April 1, 2021	41.56	5,291.88	452.21	168.36	692.07	111.61	**6,757.69**	**555.37**	1,051.48	69.77	**1,121.25**
Additions	1.06	323.40	11.67	33.57	20.54	15.41	**405.65**	**1.47**	8.81	19.71	**28.51**
Disposals	-	(396.30)	(6.03)	(38.26)	(0.31)	-	**(440.92)**	**-**	-	-	**-**
As at Mar 31, 2022 (B)	**42.62**	**5,218.98**	**457.85**	**163.67**	**712.30**	**127.02**	**6,722.42**	**556.84**	**1,060.29**	**89.47**	**1,149.77**
Net carrying value as at Mar 31, 2022 (A) - (B)	**23.44**	**2,201.67**	**46.48**	**92.14**	**32.74**	**211.86**	**2,608.35**	**3.91**	**50.52**	**22.18**	**72.69**
Gross carrying value											
As at April 1, 2020	66.06	7,343.50	495.91	205.29	720.57	338.88	**9,170.21**	**546.49**	1,053.97	74.70	**1,128.67**
Additions	-	136.39	5.91	-	15.81	-	**158.10**	**12.79**	-	26.08	**26.08**
Disposals	-	(93.12)	-	(4.60)	(0.36)	-	**(98.07)**	**-**	-	-	**-**
As at Mar 31, 2021 (A)	**66.06**	**7,386.77**	**501.82**	**200.69**	**736.02**	**338.88**	**9,230.24**	**559.28**	**1,053.97**	**100.78**	**1,154.75**
Accumulated depreciation											
As at April 1, 2020	40.45	5,039.35	437.49	159.46	661.14	94.75	**6,432.65**	**535.65**	872.79	46.69	**919.48**
Additions	1.11	335.15	14.72	13.46	31.26	16.86	**412.56**	**19.72**	178.69	23.08	**201.77**
Disposals	-	(82.62)	-	(4.56)	(0.33)	-	**(87.51)**	**-**	-	-	**-**
As at Mar 31, 2021 (B)	**41.56**	**5,291.88**	**452.21**	**168.36**	**692.07**	**111.61**	**6,757.69**	**555.37**	**1,051.48**	**69.77**	**1,121.25**
Net carrying value as at Mar 31, 2021 (A) - (B)	**24.50**	**2,094.89**	**49.61**	**32.33**	**43.95**	**227.27**	**2,472.55**	**3.91**	**2.49**	**31.01**	**33.50**

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, 2021	2,280.39
Additions	-
Disposals	22.60
As at Mar 31, 2022 (A)	**2,257.79**
Accumulated depreciation	
As at April 1, 2021	681.68
Charge for the year	79.01
Reversals/ Disposals during the year	20.47
As at Mar 31, 2022 (B)	**740.22**
Net carrying value as at Mar 31, 2022 (A) - (B)	**1,517.57**
Gross carrying value *	
As at April 1, 2020	2,490.73
Additions	-
Disposals	210.34
As at Mar 31, 2021 (A)	**2,280.39**
Accumulated depreciation	
As at April 1, 2020	692.97
Charge for the year	87.57
Reversals/ Disposals during the year	98.86
As at Mar 31, 2021 (B)	**681.68**
Net carrying value as at Mar 31, 2021 (A) - (B)	**1,598.71**

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 **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	2,407.66	2,787.00

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: of the above, a building carrying value ₹1517.98 Lakhs (Previous Year ₹ 1595.06 Lakhs) is subject to first charge for secured bank loans (refer note 13.2)

Notes forming part of the financial statements

Note No. 5 - Investment

A. Non Current Investment **(₹ in Lakhs)**

	Particular	As at March 31, 2022	As at March 31, 2021
A.	**INVESTMENTS CARRIED AT COST**		
	Unquoted Investments (all fully paid)		
	Investments in Equity Instruments of Subsidiaries		
	Almet Corporation Limited ***	1,035.66	1,475.66
	58,824 (March 31, 2021: 58,824) Equity Shares of ₹ 100/- Each Fully Paid		
	Marathawada Realtor Private Limited ***	1,591.06	2,251.06
	39,216 (March 31, 2021: 39,216) Equity Shares of ₹ 100/- Each Fully Paid		
	Marvel Housing Private Limited	1.00	1.00
	10,000 (March 31, 2021: 10,000) Equity Shares of ₹ 10/- Each Fully Paid		
	GMP Technical Solutions Private Limited	4,602.71	4,602.71
	12,689 (March 31, 2021: 12,689) Equity Shares of ₹ 10/- Each Fully Paid		
	Vascon Value Homes Private Limited	1.00	1.00
	10000 (March 31,2021: 10000) Equity shares of ₹ 10/- Each fully paid		
	Rivershore Developer Private Limited **	2,668.00	-
	4,39,74,252 (March 21, 2021: NIL) Equity shares of ₹ 10/- Each fully paid		
	Vascon EPC Limited *	-	1.00
	NIL (March 31,2021: 10000) Equity shares of ₹ 10/- Each fully paid		
		9,899.42	**8,332.43**
	Investments in Equity Instruments of associates		
	Mumbai Estates Private Limited	10.00	10.00
	99,999 (March 31, 2021: 99,999) Equity Shares of ₹ 10 /- Each Fully Paid		
	DCS Conventions and Hospitality Private Limited **	0.05	-
	520 (March 21, 2021: NIL) Equity shares of ₹ 10/- Each fully paid		
		10.05	**10.00**
	Investments in Equity Instruments of joint ventures - jointly controlled entities		
	Cosmos Premises Private Limited ##	-	337.00
	NIL (March 31, 2021: 162,500) Equity Shares of ₹ 10/- Each Fully Paid		
	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
	Vascon Saga Construcions LLP	1.52	1.52
		4,474.47	**4,811.47**
	INVESTMENTS CARRIED AT COST [A]	**14,383.95**	**13,153.90**
B.	**INVESTMENTS CARRIED AT AMORTISED COST**		
	Investments in Redeemable Non-Cumulative Preference Shares of Subsidiary		
	GMP Technical Solutions Private Limited #	574.79	984.79
	0.001% 574,793 (March 31, 2021: 984,793) Redeemable Non-Cumulative Preference Shares of ₹ 100 each		
	Investment in Government or trust securities		
	7 Years National Savings Certificate	0.20	0.20
	INVESTMENTS CARRIED AT AMORTISED COST [B]	**574.99**	**984.99**
C.	**INVESTMENTS CARRIED AT FVTPL**		
	Quoted Investments		
	Investments in Equity Instruments - Union Bank of India *(formerly Corporation Bank)*	0.11	0.11
	330 (March 31,2021: 330) Equity shares of ₹ 10/- Each fully paid		
	Total Aggregate Quoted Investments	**0.11**	**0.11**
	Unquoted Investments (all fully paid)		
	Investments in debentures of Ascent Hotels Private Limited	2,750.00	2,750.00
	Optionally Convertible Redeemable Debenture 6,726,396 of face Value ₹10/- each		
	Investments in Equity Instruments of structured entities		
	The Saraswat Co Operative Bank Ltd	0.25	0.25
	2,500 (March 31, 2021: 2,500) Equity Shares Of ₹10/- Each Fully Paid		
		2,750.25	**2,750.25**
	INVESTMENTS CARRIED AT FVTPL [C]	**2,750.36**	**2,750.36**
	TOTAL INVESTMENTS [A] + [B] + [C]	**17,709.30**	**16,889.25**

Notes forming part of the financial statements

Details of quoted / unquoted investments: **(₹ in Lakhs)**

Particular	As at March 31, 2022	As at March 31, 2021
Aggregate amount of Quoted Investments and Market Value thereof	0.11	0.11
Aggregate amount of Unquoted Investments	17,709.19	16,889.14
Aggregate amount of Provision for expected credit loss on investments	-	-

* The Board of the Director of theVascon EPC Limited in their meeting held on 26th February 2021 & the members in their Extraordinary General Meeting held on 26th March 2021, have accorded consent to the striking off the name of 'Vascon EPC Limited' one of the non-operative wholly owned subsidiaries. The same was striked off w.e.f 4.10.2021

During the year, one of the subsidiary GMP Technical Solutions Private Limited has redeemed 410,000 number of Preference shares of Rs. 100 each at par. These preference shares are 0.001% redeemable, non-cumulative preference shares issued by the GMP Technical Solutions Private Limited.

During the year, the Company has sold its stake in Cosmos Premises Private Lmited for a consideration of Rs. 4550 Lakhs. The Company had recognised profit on sale of Investment for Rs 4213 Lakhs.

** During the year, the Company acquired the 92% stake in River Shore Developers Private Limited and 26% stake in DCS Conventions and Hospitality Private Limited

*** The Company has evaluted the impairment testing on investment and based on available information and conservative approach, the provision for impairment of investment of Rs.4400 lakhs and Rs. 6600 lakhs has been considered for Almet Corporation Limited and Marathawada Realtors Private Limited respectively.

B. Current Investment **(₹ in Lakhs)**

Particular	As at March 31, 2022	As at March 31, 2021
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, 2021: 806,000) Equity Shares of ₹ 50/- Each Fully Paid		
Total Unquoted Investments	**234.00**	**234.00**
Quoted Investments		
<u>Investments in Mutual Funds</u>	172.68	78.70
HSBC Cash Fund		
Units 8145.94 (March 31, 2021: 3841.0260) , NAV ₹ 2119.7831 (March 31, 2021: ₹ 2,048.8137) each		
Total Quoted Investments	**172.68**	**78.70**
Total Current Investments	**406.68**	**312.70**

Details of quoted / unquoted investments:

Particular	As at March 31, 2022	As at March 31, 2021
Aggregate amount of Quoted Investments and Market Value thereof	172.68	78.70
Aggregate amount of Unquoted Investments	234.00	234.00
Aggregate amount of Provision for expected credit loss on investments	-	-

Note No. 6 - Loans

A. Non Current

Particulars	As at March 31, 2022	As at March 31, 2021
a) Loans to related parties (Refer Note 33 & 36)	105.52	-
- Unsecured, considered good		
Total	**105.52**	**-**

Notes forming part of the financial statements

Current (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Loans and Advances to Employees		
- Unsecured, considered good	174.90	220.83
b) Loans to related parties (Refer Note 33 & 36)		
- Unsecured, considered good	2,548.21	365.53
c) Other Loans -		
- Unsecured, considered good	5,706.78	5,980.76
Total	**8,429.89**	**6,567.12**

Note No. 7 - Other Financial Assets

A. Non - Current

Particulars	As at March 31, 2022	As at March 31, 2021
a) Security Deposits		
- Unsecured	788.05	797.67
- Doubtful	25.00	25.00
Less: Allowance for Credit Losses	(25.00)	(25.00)
b) Bank deposits with more than 12 months maturity	527.27	450.33
c) Project Advances	8,561.83	8,550.50
Total	**9,877.15**	**9,798.50**

B. Current

Particulars	As at March 31, 2022	As at March 31, 2021
a) Security Deposits - Unsecured	365.41	1,101.17
b) Interest accrued on deposits	99.94	87.72
c) Project Advances	3,452.92	2,648.43
d) Other Recoverable (JV Partner share)	636.78	636.78
e) Amounts due from customers		
- Gross amount due from customer (Unbilled)	30,043.12	19,341.53
- Less : Related Advance Payments received	(4888.67)	(4007.64)
	25,154.45	15,333.89
Total	**29,709.50**	**19,807.99**

Note No. 8 - Other non-current and current assets

A. Non Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Balances with goverment authorities (other than income taxes)	2,609.98	1,681.49
Total	**2,609.98**	**1,681.49**

B. Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Advances to suppliers	2,312.41	2,061.10
(b) Prepaid Expenses	570.63	630.50
(c) Travel Advance	43.93	16.90
Total	**2,926.97**	**2,708.50**

Note No. 9 - Inventories (Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Building materials / tools	3,837.41	3,732.64
(b) Projects under Development	37,014.42	34,889.06
(c) Completed Units	3,059.01	5,456.70
Total Inventories	**43,910.84**	**44,078.00**

Notes forming part of the financial statements

Note No. 10 - Trade receivables (₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
(a)	Unsecured, considered good	7,789.30	9,409.82
(b)	Credit Impaired	2,612.91	2,557.82
	Less: Allowance for Credit Losses	(2612.91)	(2557.82)
		7,789.30	9,409.82
	Retention (Accrued but not due)		
(a)	Unsecured, considered good	4,525.55	3,408.38
(b)	Doubtful	-	-
	Less: Allowance for Credit Losses	-	-
		4,525.55	3,408.38
	Less: Related Unearned Receivables	(1601.57)	(1349.00)
Total		**10,713.29**	**11,469.20**

Notes:

1. 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”.
2. The average credit period on EPC contracts is 60 days. No Interest is charged on trade recivables.
3. 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).
4. The concentration of credit risk is limited due to the fact that customer base is large and unrelated.
5. 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.
6. 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

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

Particulars	As at March 31, 2022	As at March 31, 2021
EPC:		
Less than 1 year	3,614.32	5,029.42
1-2 year	1,690.39	1,584.58
2-3 year	447.36	1,178.65
More than 3 year	5,210.44	4,420.86
Less :- Expected Credit Loss	(2612.91)	(2557.82)
Total	**8,349.60**	**9,655.69**
Development Sales Receivables	1,308.40	817.10
Receivables from Related Parties (Refer Note No. 33)	1,055.29	996.41
Total	**10,713.29**	**11,469.20**

Notes forming part of the financial statements

Movement in the expected credit loss allowance is as follows: **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	2,557.82	1,273.00
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	71.30	1,287.98
Utilization / Reversals	(16.20)	(3.16)
Balance at end of the year - March 31, 2022	**2,612.92**	**2,557.82**

Note 10 (a)

Mar-22

Trade Receivable ageing schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods from due date of Payments					
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered good	1,323.20	791.83	894.99	634.71	4,144.57	**7,789.30**
(ii) Undisputed Trade Receivables - Considered doubtful	60.70	265.51	560.44	1.54	1,724.72	**2,612.91**
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	**-**
Total Debtors	**1,383.90**	**1,057.34**	**1,455.43**	**636.26**	**5,869.29**	**10,402.22**
Less: Allowance for Loss	-	-	-	-	-	**(2,612.91)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**4,525.55**
Less: Related Unearned Receivables	-	-	-	-	-	**(1,601.57)**
Net Debtors	**1,383.90**	**1,057.34**	**1,455.43**	**636.26**	**5,869.29**	**10,713.29**

Mar-21

Trade Receivable ageing schedule

Particulars	Outstanding for following periods from due date of Payments					
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables - Considered good	4,603.82	727.05	739.11	720.79	2,619.06	**9,409.82**
(ii) Undisputed Trade Receivables - Considered doubtful	558.02	2.27	153.24	9.31	1,834.97	**2,557.82**
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	**-**
Total Debtors	5,161.84	729.32	892.35	730.10	4,454.03	**11,967.63**
Less: Allowance for Loss	-	-	-	-	-	**(2,557.82)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**3,408.38**
Less: Related Unearned Receivables	-	-	-	-	-	**(1,349.00)**
Net Debtors	**5,161.84**	**729.32**	**892.35**	**730.10**	**4,454.03**	**11,469.20**

Notes forming part of the financial statements

Note No. 11 - Cash and Bank Balances **(₹ in Lakhs)**

	Particulars	As at March 31, 2022	As at March 31, 2021
A)	**Current Cash and bank balances**		
	(a) Unrestricted Balances with banks #	603.72	1,385.12
	(b) Cheques, drafts on hand	-	-
	(c) Cash in hand	180.44	159.24
	(d) Balances with banks in deposit accounts with original maturity of less than 3 months	575.60	391.43
	Cash and Cash equivalent as per balance sheet	**1,359.76**	**1,935.79**
	Bank Overdraft	35.02	60.27
	Total Cash and cash equivalent as per statement of cash flows	**1,324.74**	**1,875.52**
B)	**Other Bank Balances**		
	(a) Balances with banks in deposit accounts with original maturity more than 3 months	321.19	451.75
	(b) In earmarked accounts		
	- Balances held as margin money or security against borrowing, guarantee and other commitments *	4,012.12	3,403.48
	- Unpaid dividend account		
	Total Other Bank Balances	**4,333.31**	**3,855.23**

*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 **(₹ in Lakhs)**

Share Capital	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
* Equity shares of ₹ 10 each with voting rights	264,130,000	26,413.00	264,130,000	26,413.00
* Preference Share of ₹ 10 each without voting rights	5,000,000	500.00	5,000,000	500.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	217,317,111	21,731.71	182,136,716	18,213.67

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.

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, 2020	178,136,716	17,813.67
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, 2021	**182,136,716**	**18,213.67**
Changes in equity share capital during the year		
Issue of Preferential equity shares *	31,180,395	3,118.04
Issue of equity shares under employee share option plan	4,000,000	400.00
Balance at Mar 31, 2022	**217,317,111**	**21,731.71**

*During the year, Company has raised funds through preferential issue of shares to Group of Investors and Promoters by issuing 3,11,80,395 Equity Shares of the Company at an issue price of Rs. 22.45 per share on a preferential basis.

Notes forming part of the 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, 2022		As at March 31, 2021	
	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	22,911,577	10.54	-	-
R. Vasudevan	19,517,124	8.98	42,428,701	23.29
Lalitha Vasudevan	11,727,329	5.40	9,500,158	5.22
Crest Ventures Limited	11,135,857	5.12	-	-
Santosh Sundarajan	10,146,893	4.67	9,140,643	5.02
Vatsalya Enterprises Private Limited	9,599,275	4.42	9,599,275	5.27

(iii) Details of Shareholdings by Promoter / Promoter Group *(Shares in Nos.)*

Promoter / Promoter Group Name	31st March, 2022		31st March, 2021		% 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)	22,911,577	10.54	-	-	100.00
Vasudevan Ramamoorthy	19,517,124	8.98	42,428,701	23.29	-54.00
Lalitha Vasudevan	11,727,329	5.40	9,500,158	5.22	23.44
Siddharth Vasudevan Moorthy	4,164,953	1.92	2,828,651	1.55	47.24
Sowmya Vasudevan Moorthy	700,294	0.32	700,294	0.38	0.00
Ramya Siddharth Moorthy	890,868	0.41	-	0.00	100.00
Promoter Group					
Vatsalya Enterprises Private Limited	9,599,275	4.42	9,599,275	5.27	0.00
Total	**69,511,420**		**65,057,079**		

(iv) As at 31 Mar, 2022, 4,000,000 shares (As at 31 March, 2021, 8,000,000 shares) were reserved for issuance as follows:

Particulars	No. of shares					
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Outstanding employee stock options granted / available for grant	4,000,000	8,000,000	12,000,000	12,000,000	16,000,000	6,476,530

Note No. 12.1 - Other Equity **(₹ in Lakhs)**

Particulars	Reserves and Surplus					
	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, 2020	55,493.35	1,537.50	1,537.64	1,250.00	(5035.41)	54,783.08
Premium on Shares issued during the year	-	-	-	-	-	-
Amount recorded on Grant	-	-	224.40	-	-	224.40
Transferred to securities premium reserve on exercise	605.60	-	(605.60)	-	-	-
Other Comprehensive income for the year	-	-	-	-	(111.01)	(111.01)
Profit / (Loss) for the Year	-	-	-	-	(3687.48)	(3687.48)
Balance at the end of the reporting Year - Mar 31, 2021	**56,098.95**	**1,537.50**	**1,156.44**	**1,250.00**	**(8833.90)**	**51,208.99**

Notes forming part of the financial statements

(₹ in Lakhs)

Particulars	Reserves and Surplus					
	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, 2021	56,098.95	1,537.50	1,156.44	1,250.00	(8833.90)	51,208.99
Premium on Shares issued during the year	3,881.96	-	-	-	-	3,881.96
Amount recorded on Grant	-	-	304.85	-	-	304.85
Transferred to securities premium reserve on exercise	605.60	-	(605.60)	-	-	-
Other Comprehensive income for the year	-	-	-	-	16.62	16.62
Profit / (Loss) for the Year	-	-	-	-	3,349.02	3,349.02
Balance at the end of the reporting Year - Mar 31, 2022	**60,586.51**	**1,537.50**	**855.69**	**1,250.00**	**(5468.26)**	58,761.44

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. 13 - Borrowings

A. Non Current Borrowings (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Measured at amortised cost		
A. Secured Borrowings:		
(a) Fully Redeemable Debentures	-	2,885.37
(b) Term Loan from Financial Institution	1,447.03	1,344.68
Total Secured Borrowings	**1,447.03**	**4,230.05**
B. Unsecured Borrowings - at amortised Cost		
(a) Loans from related parties	24.83	88.75
Total Unsecured Borrowings	**24.83**	**88.75**
Total Borrowings carried at Amortised Cost [A] + [B]	**1,471.86**	**4,318.80**
Total Non-Current Borrowings	**1,471.86**	**4,318.80**

Notes forming part of the financial statements

B. Current Borrowings (₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
A.	**Secured Borrowings**		
	Cash Credit from Banks *	5,536.65	5,875.91
	Current maturities of long-term debt	4,236.53	8,021.14
	Total Secured Borrowings	**9,773.18**	**13,897.05**
B.	**Unsecured Borrowings**		
	(a) From Banks (Bank overdraft)	35.02	60.27
	(b) Loans from related parties	2,409.80	1,382.77
	(c) Loans from other parties	61.05	56.49
	Total Unsecured Borrowings	**2,505.87**	**1,499.53**
	Total Current Borrowings	**12,279.05**	**15,396.58**

*Cash Credit from Banks ranging from 9 % -11 % 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

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability obligation (Refer Note 29)	54.88	16.97
Finance Lease Libility (Refer Note 29)	46.96	-
Other Non-Current Lease Liabilities	**101.84**	**16.97**

B. Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Current maturities of finance lease obligations (Refer Note 29)	13.61	35.12
(b) Current maturities of lease obligations IND AS 116 (Refer Note 29)	23.76	51.74
Other Current Lease Liabilities	**37.37**	**86.86**

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 23 to Mar 24	Apr 24 to Mar 25	Apr 25 to Mar 26	Apr 26 to Mar 29			
I.	**Secured**									
a)	Kotak India Real Estate Fund	2,336.63	2,336.63	-	-			-	15.50%	1. Sole & Exclusive mortgage on the identifiedunsold units with 1.40 lacs sq.ft. Of Saleable area, including 2 villas of the project & Personal Guarantee of the Promoter 2. Sole & Exclusive first charge on the Project development rights both Vascon and Land Owners under Devlopment Agreement 3. Hypothecation on 100% receivable from the Project, which includes boty vascon's and Land Onwer's shares. 4. Escrow account on cash flow from the sales collected from the project 5. Post dated cheques from for the repayment amount of principle and interest

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 23 to Mar 24	Apr 24 to Mar 25	Apr 25 to Mar 26	Apr 26 to Mar 29			
b)	JM Financial Credit Solutions Limited	2,089.51	1,690.60	398.91	0.01	-		398.92	15.05%	Secured by way of registered mortgage on the land admesuring approximately 9.9 acres along with approx saleable are of 0.61 MMSFT in Project Good Life located at Talegaon Pune and also escrow of receivable generated from Project Goodlife and secured by way of personal guarantee of Promoter
c)	JM Financial Credit Solutions Limited	319.00	79.75	79.75	79.75	79.75	-	239.25	14.00%	Guarenteed Emergency Credit Line against the Point No. (b) above
d)	ICICI Home Finance	742.88	129.54	127.66	144.42	163.38	177.87	613.33	12.40%	Secured by way of registered mortgage on Unit No. 1, 2nd Floor, HDIL Kaledonia, Sahar Road, Andheri (East), Mumbai Admeasuring 9405 Sq Ft. carpet Area.
e)	UBI - UGECL	195.54	-	39.11	39.11	39.11	78.21	195.54	9.25%	1. 100% Guarntee covered by National Guarentee 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
From financial institution										
Daimler Financial Services India Pvt Ltd		60.57	13.61	13.61	33.35	-		46.96	10.65%	Hypothecation of Vehicle financed by lender
II.	**Unsecured**									
a)	**Loans and advances from related parties**									
	- Subsidiaries									
	Almet Corporation Limited	24.83	-	24.83	-	-		24.83	9.00%	Not Applicable
								-		
Total		**5,768.96**	**4,250.13**	**683.87**	**296.64**	**282.24**	**256.08**	**1,518.83**		

*Interest accrued and due on borrowings as on 31st Mar, 2022 disclosed under other current liabilities (Refer Note 14)

Note No. 14 - Other Financial Liabilities

A. Non - Current **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Commitment and other deposits	1,280.95	1,572.58
Other Non-Current Financial Liabilities	**1,280.95**	**1,572.58**

B. Current

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Interest accrued but not due on borrowings	1.45	51.81
(b) Interest accrued but due on borrowings	37.72	650.44
(c) Creditors for capital supplies/services	82.72	38.43
(d) Others	86.29	335.21
Total other financial liabilities	**208.18**	**1,075.89**

Notes forming part of the financial statements

Note No. 15 - Trade Payables **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of Micro and Small Enterprises (Refer Note 34)	1.90	24.03
Total Outstanding dues of Creditors other than Micro and Small Enterprises	25,603.82	21,463.69
Total trade payables	**25,605.72**	**21,487.72**

Note 15 (a)

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Trade Payables ageing schedule **(₹ in Lakhs)**

Particulars		Outstanding for following periods				
		Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	MSME	-	-	-	1.90	1.90
(ii)	Others	15,035.14	1,644.19	2,074.04	6,850.45	25,603.82
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iii)	Disputed Dues - Others	-	-	-	-	-

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Trade Payables ageing schedule

Particulars		Outstanding for following periods				
		Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	MSME	22.13	-	-	1.90	24.03
(ii)	Others	11,855.94	1,402.58	1,722.90	6,482.27	21,463.69
(iii)	Disputed Dues - MSME	-	-	-	-	-
(iii)	Disputed Dues - Others	-	-	-	-	-

Note : Ageing has been considered from the date of transactions

Note No. 16 - Provisions

Current **(₹ in Lakhs)**

Particulars		As at March 31, 2022	As at March 31, 2021
(a)	Provision for employee benefits		
	1) Compensated absences	755.33	678.68
	2) Gratuity (Refer Note 31)	916.10	802.19
(b)	Other Provisions		
	Taxation	55.91	61.15
	Total Provisions	**1,727.34**	**1,542.02**

Note No. 17 - Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	60.93	0.16
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total Tax Expense recognised in profit and loss account	**60.93**	**0.16**

Notes forming part of the financial statements

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate : **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Profit Before tax from Continuing Operations	3,409.93	(3687.48)
Income Tax using the Company's domestic Tax rate @ 25.168% (Previous Year Tax Rate @ 25.168%)	858.21	(928.06)
Tax Effect of :		
- Tax - Exempt income	(135.21)	28.04
- Recognition of Tax Effect of Previously unrecognised tax losses	(723.00)	900.03
Changes in estimates related to prior years	60.93	0.16
Income Tax recognised In P&L from Continuing Operations	**60.93**	**0.16**

Particulars	As at March 31, 2022	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	67.58	74.01
	67.58	74.01
Tax effect of items constituting deferred tax assets		
Employee Benefits	420.67	512.53
Carry forward Tax Loss	(353.09)	(438.52)
	67.58	74.01
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, 2022

Note - 18: Other Liabilities

Other Current Liabilities **(₹ in Lakhs)**

	Particulars	As at March 31, 2022	As at March 31, 2021
a.	Advances received from customers		
	- Gross amount due to customers	12,114.32	8,583.28
	- Less : Related Unbilled Revenues	(4888.67)	(4007.64)
		7,225.65	4,575.64
b.	Amount due to customers under construction contracts		
	- Gross amount due to customers (Unearned)	6,596.02	4,464.05
	- Less : Related Debtors	(1601.57)	(1349.00)
		4,994.45	3,115.05
c.	Statutory dues		
	- taxes payable (other than income taxes)	1,711.40	1,431.98
	Total Other Liabilities	**13,931.50**	**9,122.67**

Note No. 19 - Revenue from Operations **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue recognized / sales		
- Contract revenue	40,928.78	29,633.32
- Sale of unit	4,202.41	5,787.57
- Trading sales	0.88	6.99
- Other sales (Includes maintenance charges of soceity,Hire charges, Scrap Sales)	542.73	215.61
Other operating income		
- Rent earned	199.10	190.60
- Share of profit / (loss) from Partnership firms (net)	390.68	(111.41)
Total Revenue from Operations	**46,264.58**	**35,722.68**

Notes forming part of the financial statements

(₹ in Lakhs)

Note No. 20 - Other Income

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Interest Income		
	On Financial Assets at Amortised Cost	538.38	419.97
(b)	Dividend received on investments carried at fair value through profit or loss	3.98	9.78
	Liquid Mutual fund units		
(c)	Profit on sale on Investment	4,213.48	-
(d)	Dividend Income	13.09	173.88
(e)	Provisions / Creditors no longer required written back	234.28	153.18
(f)	Profit on sale of capital assets (Net of loss on assets sold / scrapped / written off)	347.09	337.95
(g)	Miscellaneous Income	21.05	28.24
Total Other Income		**5,371.35**	**1,123.00**

Note No. 21.a - Cost of materials and services consumed

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract	34,769.87	24,815.63
Development	2,706.91	2,317.75
Incidental borrowing cost incurred attributable to qualifying assets	1,129.17	943.94
Cost of materials and services consumed	**38,605.95**	**28,077.32**

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, 2022	For the year ended March 31, 2021
Closing balance of projects under development :		
Completed Units	3,059.01	5,456.70
Projects under Development	37,014.42	34,889.06
	40,073.43	**40,345.76**
Opening balance of projects under development:		
Completed Units	5,456.70	11,404.44
Projects under Development	34,889.06	31,721.48
	40,345.76	**43,125.92**
Net (increase) / decrease	**272.33**	**2,780.16**

Note No. 22 - Employee Benefits Expense

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Salaries and wages, including bonus (Refer Note 31)	3,323.44	3,034.25
(b)	Contribution to provident and other funds	163.98	115.00
(c)	Share based payment transactions expenses	304.85	224.40
(d)	Staff welfare expenses	26.74	16.00
Total Employee Benefit Expense		**3,819.01**	**3,389.65**

Note No. 23 - Finance Cost

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a)	Interest expense	3,139.11	3,298.44
(b)	Other borrowing cost	130.00	96.83
		3,269.11	**3,395.27**
	Less: Amounts included in the cost of qualifying assets	(1,129.17)	(943.94)
Total finance costs		**2,139.94**	**2,451.33**

Notes forming part of the financial statements

Note No. 24 - Other Expenses **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Repairs to buildings	43.28	60.64
(b) Power & Fuel oil consumed	43.00	55.11
(c) Rent including lease rentals	301.53	166.44
(d) Repairs and maintenance - Others	43.66	20.09
(e) Rates and taxes	13.85	42.40
(f) Insurance charges	32.23	70.24
(g) Provision for doubtful debts and advances	55.10	1,284.82
(h) Provision for diminution in value in investment	1,100.00	-
(i) Auditors remuneration and out-of-pocket expenses		
(1) Audit Fees	31.00	30.50
(2) Limited Review	19.50	18.00
(3) Certification services	3.22	0.93
(j) Other expenses		
(1) Legal and other professional costs	612.81	546.95
(2) Advertisement, Promotion & Selling Expenses	86.86	181.06
(3) Travelling and Conveyance Expenses	81.72	58.51
(4) Postage and telephone	35.54	38.93
(5) Printing and stationery	10.38	10.03
(6) Brokerage / commission	113.68	122.24
(7) Donations	4.10	1.63
(8) Corporate Social Responsibility Expenditure *(Refer Note 39)*	40.00	100.00
(9) Bank charges	36.57	61.78
(10) Hire Charges Paid	24.02	26.01
(11) Miscellaneous Expenses	140.40	215.19
(12) loss on investments carried at fair value through profit or loss	1.00	-
Total Other Expenses	**2,873.45**	**3,111.50**

Note No. 25 - Earning Per share

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Per Share	Per Share
Basic Earnings per share (□)	1.68	(2.05)
Diluted Earnings per share (□)	1.68	(2.05)

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:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit for the year attributable to owners of the Company	3,349.00	(3,687.48)
Weighted average number of equity shares (Nos.)	199,559,036	179,603,383
Earnings per share - Basic (□)	1.68	(2.05)

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.

Notes forming part of the financial statements

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit for the year attributable to owners of the Company	3,349.00	(3,687.48)
Weighted average number of equity shares used in the calculation of Basic EPS (Nos.)	199,559,036	179,603,383
Employee Stock Option Plans (Nos.)	392,684	552,510
Weighted average number of equity shares used in the calculation of Diluted EPS (Nos.)	199,951,720	180,155,893
Earnings per share - Dilutive (□)	1.68	(2.05)

Note No. - 26 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financials instruments

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Non - Current Assets				
(i) Investments	14,958.94	14,138.89	14,958.94	14,138.89
(ii) Loans	105.52	-	105.52	-
(iii) Others Financial Assets	9,877.15	9,798.50	9,877.15	9,798.50
Current Assets				
(i) Trade receivables	10,713.29	11,469.20	10,713.29	11,469.20
(ii) Cash and cash equivalents	1,359.76	1,935.79	1,359.76	1,935.79
(iii) Bank balances other than (ii) above	4,333.31	3,855.23	4,333.31	3,855.23
(iv) Loans	8,429.89	6,567.12	8,429.89	6,567.12
(v) Others Financial Assets	29,709.50	19,807.99	29,709.50	19,807.99
Financial assets measured at fair value through Statement of Profit & Loss				
(a) Current investments	406.68	312.70	406.68	312.70
(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	1,471.86	4,318.80	1,471.86	4,318.80
(ii) Other financial liabilities	1,280.95	1,572.58	1,280.95	1,572.58
(iii) Lease Liability	101.84	16.97	101.84	16.97
Current Liabilities				
(i) Borrowings	12,279.05	15,396.58	12,279.05	15,396.58
(ii) Lease Liability	37.37	86.86	37.37	86.86
(iii) Trade and other payables	25,605.72	21,487.72	25,605.72	21,487.72
(iv) Other financial liabilities	208.18	1,075.89	208.18	1,075.89

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 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 Company and in case of financial assets is the average market rate of similar credit rated instrument.

Notes forming part of the financial statements

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, 2022 and March 31, 2021.

Particulars	Level 1	Level 2	Level 3
March 31, 2022			
Investment in mutual funds	172.68	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-
March 31, 2021			
Investment in mutual funds	78.70	-	-
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, 2022, 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.

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

Notes forming part of the financial statements

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% and 50%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	13,811.48	19,750.50
Trade Payables	25,605.72	21,487.72
Less : Cash and Cash Equivalents	5,693.07	5,791.02
Net Debt	**33,724.13**	**35,447.20**
Equity	80,493.15	69,422.66
Total Capital	**80,493.15**	**69,422.66**
Capital and Net Debt	**114,217.28**	**104,869.86**
Gearing Ratio	**30%**	**34%**

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 period ended March 31, 2022 and Year Ended March 31, 2021.

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 ₹ 58,207.53 lakhs and ₹ 47,104 lakhs as of March 31, 2022 and March 31, 2021 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, 2022 and March 31, 2021, 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.

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.

Notes forming part of the financial statements

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: **(₹ in Lakhs)**

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	2,557.82	1,273.00
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	71.30	1,287.98
Utilization / Reversals	(16.20)	(3.16)
Balance at the end of the year	**2,612.91**	**2,557.82**

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-22		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	25,605.72	-	-
Other Financial Liabilities	208.18	1,280.95	-
Working capital demand loans / Term loans	12,279.05	1,471.86	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	-	-

Particulars	31-Mar-21		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	21,487.72	-	-
Other Financial Liabilities	1,162.74	1,589.55	-
Working capital demand loans / Term loans	14,032.58	4,318.80	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	1,364.00	-	-

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.

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.

Notes forming part of the financial statements

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 2021-22	FY 2020-21
Options granted, beginning of the year	8,000,000	12,000,000
Granted during the year	4,000,000	4,000,000
Exercised during the year	4,000,000	4,000,000
Cancelled/lapsed during the year	-	-
Options granted, end of the year	4,000,000	8,000,000
Weighted Average remaining life	0.42	1.42

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
	ESOS - 2017
Share price at grant date (₹ per share)	29.55
Exercise price (₹ per share)	15
Expected volatility	68.00%
Expected life / Option Life	4 Year from the date of vesting
Expected dividends yield	2%
Risk-free interest rate (based on government bonds)	6.70%

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 **(₹ in Lakhs)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening Balance as on 1st April 2021	103.83	303.92
Additions during the year	135.24	26.08
Deletion during the year	-	78.99
Finance costs incurred during the year	14.26	20.82
Payments of Lease Liabilities	114.12	168.00
Balance as at 31st March, 2022	**139.21**	**103.83**

Notes forming part of the financial statements

(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	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Expenses related to Short Term Lease & Long Term Lease		
- Finance Cost	14.26	20.82
- Depreciation	28.51	201.76
(ii) Expenses related to Short Term Lease & Low Asset Value Lease	325.55	192.45
Total Expenses	**368.33**	**415.03**

(iv) Maturity analysis of lease liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	47.38	92.72
One to five years	116.44	20.04
More than five years	-	-
Total undiscounted Lease Liability	**163.82**	**112.75**
Balances of Lease Liabilities		
Non Current Lease Liability	101.84	16.97
Current Lease Liability	37.37	86.86
Total Lease Liability	**139.21**	**103.83**

Note No. 30 - Contingent liabilities and commitments

(₹ in Lakhs)

Contingent liabilities (to the extent not provided for)	As at March 31, 2022	As at March 31, 2021
Contingent liabilities		
(a) Disputed demands for Income Tax	233.33	233.33
(b) Disputed demands for Value Added Tax & Other	1,153.84	1,153.84
(c) Performance and financial guarantees given by the Banks on behalf of the Company	15,174.99	13,012.69
(d) Corporate guarantees given for other companies / entities and mobilization	11,577.19	12,927.19
During the previous year, Corporate guarantees given to victoria of Rs. 7500 lakhs has been discharged by the UBI Bank communicated through letter dated 26.08.2020. However Corporate Guarantee had not been closed in the Bank System. Hence the same is treated as contingent in the books till the bank system udated.		
(e) Claims against the Company not acknowledged as debt	2,991.76	2,991.76
(i) The Creditors of the Company have filed a civil suit claiming of ₹ 100.67 lakhs (Previous year ₹ 100.67 lakhs) as amount due to them, which claims the Company is disputing.		
(ii) Short Levy of Stamp Duty including Penalty due to misclassification of conveyance deed as development agreement amounting to ₹ 20.14 lakhs (Previous year ₹ 20.14 lakhs) with Joint District Registrar & Collector of Stamps , Pune.		
(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).		
(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 ₹ 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.		

Notes forming part of the financial statements

(₹ in Lakhs)

Contingent liabilities (to the extent not provided for)	As at March 31, 2022	As at March 31, 2021

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 Current 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.

(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 Current 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.

(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 current 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.

(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

(₹ in Lakhs)

Notes forming part of the financial statements

Particulars	As at 31 March, 2022	As at 31 March, 2021
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,535.60	1,296.92

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 ₹ 155.01 lakhs for Provident Fund contributions (March 31, 2021 : ₹ 106.79 lakhs) and ₹ 8.97 lakhs (March 31, 2021 : ₹ 8.21 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.

(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, 2022 **(₹ in Lakhs)**

Particulars	Funded Plan	
	Gratuity	
	2022	2021
Service Cost		
Current Service Cost	88.78	100.76
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	51.69	50.82
Components of defined benefit costs recognised in profit or loss	140.47	151.58
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	0.13	(7.07)
Actuarial gains and loss arising from changes in financial assumptions	(7.84)	(3.77)
Actuarial gains and loss arising from experience adjustments	(6.95)	(100.34)
Actuarial gains and loss arising from demographic adjustments	(1.95)	0.18
Others (describe)		
Components of defined benefit costs recognised in other comprehensive income	(16.61)	(111.00)
Total	**123.86**	**40.58**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	931.72	872.12
2. Fair value of plan assets as at 31st March	15.63	69.93
3. Surplus/(Deficit)	(916.10)	(802.19)
4. Current portion of the above	916.10	802.19
5. Non current portion of the above	15.63	69.93
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	(872.11)	(947.48)
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	(88.78)	(100.76)
- Past Service Cost		
- Interest Expense (Income)	(54.51)	(56.52)
4. Recognised in Other Comprehensive Income		

Notes forming part of the financial statements

Particulars		Funded Plan	
		Gratuity	
		2022	2021
	Remeasurement gains / (losses)		
	- Actuarial Gain (Loss) arising from:		
	i. Demographic Assumptions	1.95	(0.18)
	ii. Financial Assumptions	7.84	3.77
	iii. Experience Adjustments	6.95	100.34
5.	Benefit payments	66.94	128.72
6.	Others (Specify)		
7.	**Present value of defined benefit obligation at the end of the year**	**(931.72)**	**(872.11)**
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	69.94	116.86
2.	Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3.	*Expenses Recognised in Profit and Loss Account*		
	- Expected return on plan assets	2.82	5.70
	- Mortality Charges and Taxes	(4.04)	(4.13)
4.	*Recognised in Other Comprehensive Income*		
	Remeasurement gains / (losses)		
	- Actual Return on plan assets in excess of the expected return	(0.13)	7.07
5.	Contributions by employer (including benefit payments recoverable)	13.98	22.70
6.	Benefit payments	(66.94)	(78.27)
7.	**Fair value of plan assets at the end of the year**	**15.63**	**69.94**
IV.	**The Major categories of plan assets (As % of Total Plan Assets)**		
	Funds Managed By Insurer	100%	100%
V.	Actuarial assumptions		
1.	Discount rate	7.00%	6.50%
2.	Expected rate of return on plan assets	6.50%	6.40%
3.	Attrition rate	9.93%	7.50%

Maturity Profile of Defined Benefit Obligation:

For the Year Ended March 31, 2022	Expected Benefit Payment Rounded to the nearest thousand (in ₹)
2023	30,472,000
2024	6,847,000
2025	7,673,000
2026	8,990,000
2027	9,253,000
2028-2032	52,492,000

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-22	31-Mar-21	31-Mar-22	31-Mar-21
Defined Benefit Obligation	882.13	836.53	988.06	911.71

B. Effect of 1 % change in the assumed Salary Escalation Rate	1% Increase		1% Decrease	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Defined Benefit Obligation	970.37	898.24	896.04	847.56

C. Effect of 1 % change in the assumed Withdrawal Rate	1% Increase		1% Decrease	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Defined Benefit Obligation	932.39	872.41	931.09	871.82

Notes forming part of the financial statements

VIII. Experience Adjustments:		Year Ended	
		2021	2020
		Gratuity	
1.	Defined Benefit Obligation	(931.72)	(872.11)
2.	Fair value of plan assets	15.63	69.93
3.	Surplus/(Deficit)	(916.10)	(802.19)
4.	Experience adjustment on plan liabilities [(Gain)/Loss]	(6.95)	(100.34)
5.	Experience adjustment on plan assets [Gain/(Loss)]	0.17	(8.14)

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 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 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 publicaly 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
   - Vascon EPC Limited *(Striked off w.e.f. 4.10.21)*
   - River Shore Developer Private Limited *(Acquired wef 1.11.21)*
2. Joint Ventures
   - Phoenix Ventures
   - Cosmos Premises Private Limited *(Disposed off w.e.f 31.10.21)*
   - Ajanta Enterprises
   - Vascon Saga Constructions LLP
   - Vascon Qatar WLL
3. Associates
   - Sita Laxmi Mills Ltd
   - DCS Conventions and Hospitality Private Limited *(w.e.f 17.10.2021)*
   - Mumbai Estate Private Limited
4. Key Management Personnel
   - Mr. R. Vasudevan
   - Mr. Siddarth Vasudevan
   - Dr Santosh Sundararajan
   - Mr. Somnath Biswas
   - Ms.Vibhuti Dani
   - Mr. Rajesh Mhatre *(retired w.e.f 18th Oct 2021)*

   Other Directors
   - Mr. V Mohan *(Deceased w.e.f 5th Nov 2021)*
   - Mr. K G Krishnamurthy
   - Mr.Mukesh Malhotra
   - Ms. Sowmya Aditya Iyer
   - Mr. S Balasubramanium *(appointed 26th Nov 2021)*
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)
   - Vastech Consultants Private Limited
   - Vastech consultants and engineers LLP
   - Vatsalya Enterprises Private Limited
   - 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

Notes forming part of the financial statements

- 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, 2022	As at March 31, 2021
(a)	**Sales and work**	**1,128.77**	**802.57**
	Joint Ventures		
	Phoenix Ventures	263.73	194.63
	Cosmos Premises Private Limited	(11.46)	86.46
	Ajanta Enterprises	242.03	182.32
	Total	**494.29**	**463.42**
	Key management Personnel		
	Mr.Mukesh Malhotra	1.55	1.28
	Dr Santosh Sundararajan	1.18	6.06
	Total	**2.73**	**7.34**
	Enterprise where KMP & Relatives of KMP significant influence		
	Cherry Constructions Private Limited.	631.75	331.81
	Total	**631.75**	**331.81**
(b)	**Interest Income/commission Received**	**179.22**	**137.09**
	Subsidiaries		
	Interest		
	Marathawada Realtors Private Limited	8.29	-
	River Shore Developer Private Limited	64.40	-
	Commission		
	GMP Technical Solutions Private Limited	10.79	14.29
	Total	**83.48**	**14.29**
	Joint Venture		
	Ajanta Enterprises	51.08	106.61
		51.08	**106.61**
	Enterprise where KMP & Relatives of KMP significant influence		
	- Conamore Resorts Pvt Ltd.	44.66	16.19
		44.66	**16.19**
(c)	**Interest Expense /commission Paid**	**245.84**	**176.41**
	Subsidiaries		
	Interest		
	Almet Corporation Limited	3.76	7.50
	Marathawada Realtors Private Limited	0.03	0.54
	Commission		
	GMP Technical Solutions Private Limited	70.75	60.75
	Total	**74.54**	**68.79**
	Joint Venture		
	Ajanta Enterprises	-	8.22
	Total	**-**	**8.22**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	71.51	36.27
	Hamcon Engineers Pvt Limited	7.77	9.02
	Space Centric Marketing & Construction Consultancy Pvt Ltd	-	1.80
	Sira Assets LLP	92.02	51.75
	Total	**171.30**	**98.84**

Notes forming part of the financial statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	Relatives of Key Management Personnel		
	Mr. Siddarth Vasudevan	-	0.57
	Total	**-**	**0.57**
(d)	**Purchase of Goods / Work/Rent**	**889.15**	**698.53**
	Subsidiaries		
	Marvel Housing Private Limited.	429.63	310.36
	GMP Technical Solution Pvt Ltd	10.58	-
	Total	**440.21**	**310.36**
	Joint Venture		
	Ajanta Enterprises	8.62	0.10
	Total	**8.62**	**0.10**
	KMP		
	Ms. Sowmya Aditya Iyer	2.38	-
	Total	**2.38**	**-**
	Enterprise where KMP & Relatives of KMP significant influence		
	Rent		
	Flora Facilities Private Limited	222.39	195.75
	Deep Advisory Services	18.00	
	Lalitha Vasudevan	4.62	-
	Works		
	Stresstech Engineers Private Limited	6.25	36.50
	Conamore Resorts Pvt Ltd.	10.00	-
	Vastech Consultants Private Limited	30.60	-
	Vastech Consultants & Engineers LLP	146.09	155.83
	Total	**437.95**	**388.07**
(e)	**Receiving of Services**	**1,411.24**	**1,331.26**
	Subsidiaries		
	Key Management Personnel		
	Mr R Vasudevan		
	a) Short term benefits	1.67	510.00
	b) Post Employment benefits*	0.00	0.00
	Dr Santosh Sundararajan		
	a) Short term benefits **	271.67	228.55
	b) Post Employment benefits*	18.25	18.19
	c) Share based payments	129.55	36.73
	Mr. Somnath Biswas **		
	a) Short term benefits	61.28	67.96
	b) Post Employment benefits*	5.46	4.51
	c) Share based payments	35.08	9.95
	Mr. Siddharth Vasudevan **		
	a) Short term benefits	280.19	192.24
	b) Post Employment benefits*	12.33	11.12
	Mr. Rajesh Dilip Mhatre **		
	a) Short term benefits	134.73	172.91
	b) Post Employment benefits*	15.94	3.31
	c) Share based payments	129.55	36.73
	Ms. Vibhuti Darshin Dani		
	a) Short term benefits	23.29	15.09
	b) Post Employment benefits*	0.46	0.58
	Total	**1119.45**	**1307.85**

Notes forming part of the financial statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	*Post employement 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	217.38	138.78
	b) Mr. Somnath Biswas	40.64	34.44
	c) Mr. Rajesh Dilip Mahtre	56.03	90.20
	d) Mr. Siddharth Vasudevan	148.37	100.68
	During the current & previous financial year short term employment benefits represents Net of Tax salary received by KMP.	**462.41**	**364.10**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	18.13	11.90
	Vastech Consultants Private Limited	-	38.25
	Total	**18.13**	**50.16**
(f)	**Share of Profit from AOP/Firm**	**390.68**	**0.02**
	Joint Ventures		
	Phoenix Ventures	7.72	0.02
	Ajanta Enterprises	382.96	-
	Total	**390.68**	**0.02**
(g)	**Share of Loss from AOP/Firm**	**-**	**108.97**
	Joint Ventures		
	Ajanta Enterprises	-	108.97
	Total	**-**	**108.97**
(h)	**Reimbursement of expenses**	**4.16**	**5.22**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	4.16	5.22
		4.16	**5.22**
(i)	**Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit**	**4,306.14**	**886.02**
	Subsidiaries		
	Marathawada Realtors Private Limited	104.00	0.56
	Rivershore Developer Private Limited	2,118.00	-
	Almet Corporation Limited	58.50	-
	Total	**2,280.50**	**0.56**
	Joint Ventures		
	Mumbai Estate Private Limited	10.00	-
	Total	**10.00**	**-**
	Joint Ventures		
	Phoenix Ventures	100.00	133.92
	Ajanta Enterprises	450.00	10.00
	Total	**550.00**	**143.92**
	Enterprise where KMP & Relatives of KMP significant influence		
	Hamcon Engineers Pvt Ltd	-	600.00
	Daffodil Projects Pvt Ltd	-	5.00
	Conamore Resorts Pvt Ltd.	402.64	125.32
	Sira Assets LLP	275.00	-
	Flora Facilities Private Limited	788.00	-
	Total	**1,465.64**	**730.32**

Notes forming part of the financial statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	Key Management Personnel		
	Mr. R. Vasudevan	114.30	-
	Mr. Siddharth Vasudevan	-	11.21
	Total	**-**	**11.21**
(j)	**Finance availed /Received back(including equity contributions in cash or in kind)**	**3,443.63**	**2,666.31**
	Subsidiary		
	GMP Technical Solution Pvt Ltd	150.00	260.00
	GMP Technical Solution Pvt Ltd (Preference Share Redemption)	410.00	60.00
	Vascon EPC Limited	2.00	-
	Marvel Housing Private Limited	-	171.12
	Total	**562.00**	**491.12**
	Joint Ventures		
	Phoenix Venture	38.00	-
	Ajanta Enterprises	1,057.39	1,108.19
	Total	**1,095.39**	**1,108.19**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	619.50	185.00
	SIRA ASSETS LLP	346.00	250.00
	Hamcon Engineers Pvt Ltd	50.00	258.00
	Daffodil Projects Pvt Ltd	2.98	2.00
	Space Centric Marketing & Construction Consultancy Pvt Ltd	17.00	-
	One Stop Shop India Pvt Ltd	150.00	-
	Conamore Resorts Pvt Ltd.	352.73	162.00
	Total	**1,538.22**	**857.00**
	Key Management Personnel		
	Mr. R. Vasudevan	248.02	210.00
	Total	**248.02**	**210.00**
(k)	**Outstanding corporate / bank guarantees given**	**4,077.19**	**5,427.19**
	Subsidiaries		
	GMP Technical Solution Private Limited	4,077.19	5,427.19
	Total	**4,077.19**	**5,427.19**
(l)	**Outstanding as on**		
	A) Receivable to Vascon Engineers Limited	**9,773.66**	**7,422.60**
	Subsidiaries	**2,418.71**	**125.80**
	a) Trade Recivable		
	Rivershore Developers Private Limited	1.65	-
	GMP Technical Solution Private Limited	84.67	73.88
	Total	**86.32**	**73.88**
	b) Loans & Advances / Project Advances		
	Vascon EPC Limited	-	1.00
	Rivershore Developers Private Limited	2,175.96	-
	Marathawada Realtors Private Limited	105.52	-
	Marvel Housing Private Limited	50.92	50.92
	Total	**2,332.39**	**51.92**
	Joint Ventures	**1,136.27**	**1,050.55**
	a) Trade Receivable		
	Phoenix Ventures	762.86	672.49
	Cosmos Premises Private Limited	-	13.53
	Total	**762.86**	**686.02**

Notes forming part of the financial statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
b)	**Loans & Advances**		
	Phoenix Ventures	-	9.85
Total		**-**	**9.85**
c)	**Balance in current accounts**		
	Phoenix Ventures	373.41	354.68
Total		**373.41**	**354.68**
Associates		**2,573.00**	**2,563.00**
a)	**Loans & Advances (Including deposits and trade advances)**		
	Mumbai Estate Private Limited	2,573.00	2,563.00
Total		**2,573.00**	**2,563.00**
Enterprise where KMP & Relatives of KMP significant influence		**3,425.24**	**3,461.86**
a)	**Trade Receivable**		
	Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	62.06	62.06
	Stresstech Engineers Private Limited	56.79	-
	Daffodil Projects Pvt Ltd	424.28	427.27
	Rose Premsies Pvt Ltd	0.65	0.65
	Cherry Constructions Private Limited.	214.99	245.52
Total		**758.78**	**735.50**
b)	**Loans & Advances (Including deposits and trade advances)**		
	Flora Facilities Private Limited	125.00	125.00
	CONAMORE RESORTS PVT LTD.	259.08	168.98
	Daffodil Projects Pvt Ltd	7.78	7.78
	Rose Premsies Pvt Ltd	1,719.75	1,719.75
	One Stop Shop India Pvt Ltd	170.35	320.35
	Venus Ventures	384.50	384.50
Total		**2,666.46**	**2,726.36**
Key Management Personnel		**220.44**	**221.40**
a)	**Trade Receivable**		
	Mr. R. Vasudevan	3.34	3.34
	Mr.Santosh Sundararajan	11.10	12.06
Total		**14.44**	**15.40**
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**	**4,907.34**	**3,705.89**
	Subsidiaries	**890.29**	**910.58**
a)	**Trade Payable**		
	Marvel Housing Private Limited	89.44	36.04
	GMP Technical Solution Pvt Ltd	774.57	777.29
Total		**864.01**	**813.34**
b)	**Loans & Advances**		
	Almet Corporation Limited	26.28	91.33
	Marathawada Realtors Private Limited	-	5.92
Total		**26.28**	**97.24**
Joint Venture		**1,838.99**	**988.17**
a)	**Trade Payable**		
	Ajanta Enterprises	14.98	5.39
Total		**14.98**	**5.39**

Notes forming part of the financial statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	b) Loans & Advances		
	Phoenix Ventures	1.15	-
	Cosmos Premises Private Limited	60.09	50.00
	Total	**61.24**	**50.00**
	c) Balance in current accounts		
	Ajanta Enterprises	1,762.77	932.77
	Total	**1,762.77**	**932.77**
	Key Management Personnel	**777.63**	**623.92**
	a) Trade Payable		
	Ms. Sowmya Aditya Iyer	2.14	-
	Mr. Mukesh Malhotra	136.76	118.92
		138.91	**118.92**
	b) For Deposit Received		
	Mr. R Vasudevan	638.72	505.00
	Total	**638.72**	**505.00**
	Enterprise where KMP & Relatives of KMP significant influence	**1,400.43**	**1,183.23**
	a) Trade Payable		
	Flora Facilities Private Limited ((Formerly known as Flora Premises Private Limited))	66.16	8.48
	Deep Advisory Services	16.20	-
	Stresstech Engineers Private Limited	5.25	28.57
	Vastech Consultants & Engineers LLP	103.80	29.37
	Vastech Consultants Private Limited	37.06	100.08
	Mrs. Lalitha Vasudevan	4.16	-
	CONAMORE RESORTS PVT LTD.	9.00	-
	Space Centric Marketing & Construction Consultancy Pvt Ltd	34.52	19.55
	Total	**276.14**	**186.06**
	b) Loans/(Advances)		
	Flora Facilities Private Limited	326.20	417.56
	Hamcon Engineers Pvt Limited	128.79	64.13
	Sira Assets LLP	669.30	515.48
	Total	**1,124.29**	**997.17**

Notes:-

i) Related party relationships are as identified by the Company on the basis of information available and accepted by the auditors.

ii) No provision have been made in respect of receivable from related party as at March 31, 2022

Notes forming part of the financial statements

Note 34 Key Ratios

Ratios		Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance	Reason for Variance
(a)	Current Ratio	Current Assets	Current Liablities	1.89	1.86	0.02	On account of Repayment of Borrowings leads to better Current Ratio
(b)	Debt-Equity Ratio,	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	Equity Capital	0.17	0.28	-0.40	Increase in Shareholder's Equity and also reduction in borrowings from the proceeds of Prefrential issue and internal accrual from the sale of Inventory resulted in the improvement of the 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)	0.44	-0.03	-17.84	Reduction in debt and corresponding reduction in interest cost improves EBITA
(d)	Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's Equity	4.16	-5.31	-1.78	Increase in Profit after tax as compared to last year resultant improves the ratio
(e)	Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	0.88	0.68	0.30	Revenue growth and efficient inventory opeartions during the year has lead to faster inventory churning and thereby the inventory turnover ratio is improved
(f)	Trade Receivables turnover ratio,	Sale of Products	Average Trade Receivables	4.17	2.93	0.42	Improved turnover ratio on account of improved collection from debtor
(g)	Trade payables turnover ratio,	Net Purchase during the Year	Average Trade Payables	1.64	1.46	0.12	
(h)	Net capital turnover ratio,	Sale of Products	Working Capital	0.96	0.85	0.13	Due to growth in Revenue along with improved operating efficiencies in the business, cash balance, receivables and inventory balance is increased which has resulted better working capital and an improvement in the ratio.
(i)	Net profit ratio,	Net Profit after taxes	Sale of Products	0.07	-0.10	-1.70	Increase in revenue and reduction of finance cost, salary cost and other admin cost improves the ratio
(j)	Return on Capital employed,	Earnings before interest and taxes (Loss before taxes + Finance costs)	"Capital employed (Tangible Net worth + Total Debt)"	6.66	-1.64	-5.06	Incresase is on account of positive EBIT for the year in compare to negative EBIT previous year.
(k)	Return on investment.	Income on Investment	Cost of Investment	1.43	6.19	-0.77	Decreased becasue of Cosmos Investment disposed off during the year

Notes forming part of the financial statements

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, 2022	March 31, 2021
(i)	Principal amount remaining unpaid to MSME suppliers as on	1.90	23.88
(ii)	Interest due on unpaid principal amount to MSME suppliers as on	12.29	10.92
(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)	1.37	0.79
(v)	The amount of interest accrued and remaining unpaid as on	12.29	10.92
(vi)	The amount of interest due and payable to be disallowed under Income Tax Act, 1961	1.37	0.79

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, 2022	Maximum balance outstanding during the year
Marathawada Realtors Pvt. Ltd	Subsidiary	105.52	105.52
		(-)	(-)
Rivershore Developers Pvt Ltd	Subsidiary	2,175.96	2,175.96
		(-)	(-)
Phoenix Ventures Current A/c	Joint Venture	373.41	373.41
		(354.67)	(354.67)
Vascon EPC Limited	Subsidiary	-	-
		(1.00)	(1.00)

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, 2022	March 31, 2021
Contract Revenue Recognized during the year	40,928.78	29,633.32
Contract costs incurred during the year	34,769.87	24,815.63
Recognized Profit	6,158.92	4,817.69
Advances received for contracts in progress	(5,389.55)	(4,248.25)
Retention money for contracts in progress	4,525.55	3,408.38
Gross amount due from customer for contract work (assets)	25,091.11	15,975.28
Gross amount due to customer for contract work (liability)	1,436.72	747.43

Notes forming part of the financial statements

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 immediatelly preceding three financial years on Corporate Social Responsibility (CSR) Activity. A CSR Committe has been formed by the company to undertake CSR activities on 09/11/2016 pursuant to the requirement of the Act.

a. Gross amount required to be spent by the Company during the year - ₹ 15.46 lakhs

b. Amount spent during the year on:

(₹ in Lakhs)

CSR Activities		In Cash	Yet to be paid in cash	Total
		Rs.	Rs.	Rs.
i)	Construction/acquisition of any asset	-	-	-
ii)	Purpose other than (i) above	40.00	-	40.00

(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;	No Short Fall during the Year
(ii)	The total of previous years' shortfall amounts;	No Shortfall in Previous Year
(iii)	The reason for above shortfalls by way of a note;	NA
(iv)	The nature of CSR activities undertaken by the Company.	Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare.

41 During the Financial Year, the company has paid full and final balance outstanding towards Zero coupon, rupee denominated unrated unlisted secured non-convertible debentures of ₹ 1364 lakhs.

42 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.

43 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.

44 Wilful Defaulter

The company has not declared Wilful Defaulter by any bank or financial institutions or any other lender.

45 Relationship with Struck off Companies

The company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013.

46 The Company 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 Company, 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 Company. The Company 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 Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

47 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.

48 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 Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
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 "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 its joint-ventures, which comprise the Consolidated Balance Sheet as at March 31, 2022, 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 significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on 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, 2022, the Consolidated Profit (financial performance including other comprehensive income), its Consolidated Cash Flows and the Consolidated Changes in Equity for the year then ended.

Emphasis of Matter

We draw attention to Note 52 to the Statement, which describes the economic and social consequences the entity is facing as a result of Covid-19 which is impacting operations of the Company, supply chains, personnel available for work etc.

Our opinion is not modified in respect of this matter of emphasis.

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	Auditor's Response
1	**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 judgements regarding 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 wide range of contracts each having different risk profile based on its individual nature of performance and delivery characteristics. Changes in cost estimate could give rise to the variances in the amount of revenue recognised and profit/loss recognised. Accordingly this matter has been identified as KAM.	**Principal Audit Procedures:** Our audit procedures on revenue recognition from construction contract consisted mainly 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 includes following: • Assessed the Company's process to identify revenue recognition and cost estimation as per the requirement of the revenue accounting standard. • Evaluation of the internal control designs relating to the revenue accounting standards, • Selected an appropriate samples of contracts and evaluated them along with the supporting evidence to determine whether various elements of revenue recognition as well 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 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.

Responsibilities of Management and those charged with governance 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 preparation and presentation of these Consolidated Financial Statements in term 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 scepticism 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 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 aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of 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. We did not audit the financial statements of five domestic subsidiaries & one foreign step-down subsidiary, whose Ind AS financial statements reflect total assets of Rs.5,638.96 lakhs as at March 31, 2022; and total revenue of Rs. 450.07 lakhs, total net loss after tax of Rs. 68.01 lakhs, total comprehensive loss of Rs. 68.04 lakhs and net cash inflow of Rs. 19.18 lakhs for the year then ended. The Statement also includes the Group's share of profit after tax of Rs.382.96 lakhs for the year then ended March 31, 2022, in respect of a joint ventures. These Ind AS financial statements have been audited by their respective independent auditors whose audit 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 statements include the Group's share of loss after tax of Rs. 7.72 lakhs and total comprehensive income of Rs. 7.72 lakhs for the year ended March 31, 2022, as considered in the Statement, in respect of three joint ventures whose financial statements have not been audited by us. These financial statement / information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these three 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 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, 2022 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 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 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 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, 2022 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, 2022 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, 2022 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 have made provision in the Consolidated Financial statements, as required under the applicable law or Ind AS, for material foreseeable loses, 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 Holding Company as not declared / paid any dividend hence reporting under rule 11 (f) is not applicable to that extent.

3. 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 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 case of a Holding company and one of the subsidiary company 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 comment 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: 22037457ALIBWK8451

Pune,
May 23, 2022

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(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, 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)(a)
				Clause (ix)(a)
				Clause (xvii)
2.	GMP Technical Solutions Private Limited	U74999MH2003PTC142312	Subsidiary Company	Clause (iii)
3.	Almet Corporation Ltd.	U29290MH1960PLC059367		Clause (vii)(a)
				Clause (xvii)
4.	Marvel Housing Pvt. Ltd.	U45200MH2005PTC154682		Clause (vii)(a)
				Clause (xvii)
5.	Marathawada Realtors Pvt. Ltd	U24110MH1984PTC034809		Clause (xvii)
6.	River Shore Developers Pvt. Ltd.	U70100MH2009PTC194423		Clause (xvii)
7.	Vascon Value Homes Pvt. Ltd.	U45200PN2017PTC171989		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: 22037457ALIBWK8451

Pune,
May 23, 2022

Annexure B to the Independent Auditor's Report on Consolidated Financial Statements

(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, 2022 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, 2022, 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 Responsibility for Internal Financial Controls

The respective Company's Management and Board of Directors of the 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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: 22037457ALIBWK8451

Pune,
May 23, 2022

Consolidated Balance Sheet as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
A Assets			
1 **Non Current Assets**			
(a) Property, Plant and Equipment	3	5,316.09	5,401.04
(b) Capital work-in-progress		0.03	-
(c) Goodwill on Consolidation		1,832.20	2,661.25
(d) Investment Property	4	1,517.57	1,598.71
(e) Other Intangible assets	3	29.64	17.91
(f) Right of Use Assets	3	728.73	193.02
(g) Financial Assets			
(i) Investments	5	7,225.08	7,791.94
(ii) Loans	6	230.43	359.34
(iii) Others Financial Assets	7	10,098.00	10,068.17
(h) Income Tax Assets (net)		865.31	858.67
(i) Deferred Tax Assets (net)	17	671.47	674.69
(j) Other Non Current Assets	8	2,814.80	1,873.46
Total Non - Current Assets		**31,329.35**	**31,498.20**
2 **Current Assets**			
(a) Inventories	9	51,441.74	45,924.58
(b) Financial Assets			
(i) Investments	5	406.68	312.70
(ii) Trade receivables considered good - Unsecured	10	16,245.04	16,417.16
(iii) Cash and cash equivalents	11	2,579.67	2,754.07
(iv) Bank balances other than (iii) above	11	7,264.11	5,249.51
(v) Loans receivables considered good - Unsecured	6	6,336.97	6,601.49
(vi) Others Financial Assets	7	30,084.89	19,925.12
(c) Other Current Assets	8	3,326.45	2,954.29
Total Current Assets		**117,685.55**	**100,138.92**
Total Assets (1+2)		**149,014.90**	**131,637.12**
B Equity and Liabilities			
1 **Equity**			
(a) Equity Share Capital	12 & 12.1	21,731.71	18,213.67
(b) Other Equity	12.2	59,404.27	51,702.14
Equity attributable to owners of the Company		81,135.98	69,915.81
Non Controlling Interest	12.3	1,276.72	1,000.19
Total Equity		**82,412.70**	**70,916.00**
2 **Non Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	13	1,713.42	4,266.82
(ii) Lease liability	14A	525.24	41.08
(iii) Other financial liabilities	14	1,280.95	1,572.58
(b) Other Liabilities	18	-	3.17
Total Non - Current Liabilities		**3,519.61**	**5,883.65**
3 **Current Liabilities**			
(a) Financial Liabilities			
(i) Borrowings	13	14,002.48	17,007.23
(ii) Lease liability	14A	218.52	151.03
(iii) Trade and other payables			
- Total outstanding dues of micro enterprises and small enterprises	15	584.60	62.34
- Total outstanding dues of creditors other than micro enterprises and small enterprises	15	27,332.32	24,048.62
(iii) Other financial liabilities	14	501.41	814.32
(b) Provisions	16	3,461.74	2,038.82
- Current Tax Liabilities (net)	17	-	-
(c) Other Current Liabilities	18	16,981.52	10,715.11
Total Current Liabilities		**63,082.59**	**54,837.47**
Total Equity and Liabilities (1+2+3)		**149,014.90**	**131,637.12**
Significant accounting policies	1-2 &		
See accompanying notes forming part of the financial statements.	3 - 54		

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Consolidated Statement of Profit and Loss for the Year Ended March 31, 2022

(₹ in Lakhs)

	Particulars	Note No	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from operations	19	65,686.05	50,577.16
II	Other Income	20	5,320.54	1,241.07
III	**Total Income (I+II)**		**71,006.59**	**51,818.23**
IV	**EXPENSES**			
	(a) Cost of materials and services consumed	21.a	51,940.12	37,558.36
	(b) Purchases of stock-in-trade		0.67	1.43
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21.b	(161.57)	2,690.07
	(d) Employee benefit expense	22	7,020.91	5,857.12
	(e) Finance costs	23	2,444.08	2,680.35
	(f) Depreciation and amortization expense	3 & 4	1,077.64	1,208.05
	(g) Other expenses	24	4,648.56	5,809.52
	Total expenses (IV)		**66,970.41**	**55,804.90**
V	**Profit/ (Loss) before tax**		**4,036.18**	**(3,986.67)**
VI	**Less: Tax Expense**			
	(a) Current Tax	17	340.04	1.15
	(b) Deferred Tax	17	3.22	40.93
	(c) Excess/ (short) provision for tax of earlier years	17	101.20	(0.58)
			444.46	**41.50**
VII	**Profit/ (Loss) after tax**		**3,591.72**	**(4,028.17)**
VIII	**Profit after tax for the year attributable to:**			
	(a) Owners of the Company		3,518.63	(4,082.05)
	(b) Non controlling interests		73.09	53.88
IX	**Other Comprehensive Income**			
	(a) Items that will not be recycled to profit or loss			
	- Remeasurements of the defined benefit liabilities / (asset)		(22.91)	(25.89)
	- Income tax relating to items that will not be reclassified to profit or loss		9.94	(21.24)
			(12.97)	**(47.13)**
X	**Other Comprehensive Income for the year attributable to:**			
	(a) Owners of the Company		(8.53)	(56.61)
	(b) Non controlling interests		(4.43)	9.47
XI	**Total Comprehensive Income/ (Loss) for the year**		**3,578.75**	**(4,075.30)**
XII	**Total comprehensive income for the year attributable to:**			
	(a) Owners of the Company		**3,515.30**	**(4,138.65)**
	(b) Non controlling interests		**63.45**	**63.35**
XIII	**Earnings / (Loss) per equity share (of Rs. 10/- each fully paid up) :**			
	(a) Basic	25	1.76	(2.27)
	(b) Diluted	25	1.76	(2.27)
	Significant accounting policies See accompanying notes forming part of the financial statements.	1-2 & 3 - 54		

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Consolidated Cash Flow Statement for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation	4,036.18	(3,986.67)
Adjustments for :-		
	-	-
- Depreciation / amortisation expenses	1,077.63	1,208.05
- Finance Cost	2,444.08	2,680.35
- Dividend Income	(13.09)	-
- Dividend & (Gain) / loss on investments carried at FVTPL	(3.98)	(8.07)
- Profit on Sale of investments	(3,991.22)	-
- Net Expense recognised in respect of equity-settled share-based payments	304.85	224.40
- Interest income	(569.51)	(541.09)
- Deferred Revenue	(3.17)	(4.00)
- Provision for doubtful debt and advances	164.74	1,850.00
- Bad debts and other receivables, loans and advances written off	3.74	446.32
- Provision no longer required wriitten back	(235.85)	(181.36)
- Share of Profits from Joint Venture	7.64	(0.31)
- Net loss / (gain) arising on financial assets designated as at FVTPL	1.00	400.00
- Provision for diminution in value in investment	1,100.00	-
- (Profit) / Loss on Sale of Property, Plant & Equipment (net)	(347.09)	(339.85)
Operating Profit before working capital changes	**3,975.95**	**1,747.77**
Adjustments for (increase)/ decrease in operating assets		
Inventories before capitalisation of borrowing cost	564.23	3,105.16
Trade receivables	3.65	(616.16)
Amount due from / to Customer	(8,137.21)	(1,616.81)
Loans (Non Current)	128.91	121.06
Others Financial Assets (Non Current)	(41.50)	373.63
Other assets (Non Current)	(941.33)	20.00
Loans (Current)	(1,853.48)	39.90
Others Financial Assets (Current)	(143.19)	(732.42)
Other assets (Current)	(140.14)	23.27
Adjustments for (increase)/ decrease in operating liabilities		
Current trade payables	4,041.82	4,133.36
Provisions	1,175.42	12.72
Other Non Current liabilites	192.54	42.29
Other current liabilities	4,725.74	(506.78)
Cash generated / (used in) from operations	**3,551.41**	**6,146.99**
Income tax (refund) / paid (Net)	(223.31)	864.37
Net cash (used in)/generated by operating activities (A)	**3,328.10**	**7,011.36**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress	(1,500.94)	(426.48)
Dividend received	13.09	-
Proceeds on disposal of fixed assets	433.30	468.75
(Payments) / Proceeds from Investments	4,553.41	181.93
Investment in Subsidiaries / Joint Venture	(2,668.00)	-
(Investments) / Proceeds from fixed deposits with banks	(2,002.94)	(1,146.31)
(Investments) / Proceeds from liquid mutual funds	(93.98)	1,490.72
Net Cash genereated / (used) in investing activities (B)	**(1,266.06)**	**568.61**

(₹ in Lakhs)

	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceed from issue of Equity shares	7,400.00	400.00
	Repayment of borrowing	(7,303.86)	(5,862.90)
	Proceeds from borrowing	740.00	1,809.00
	Repayment of Lease Liabilities	-	(233.63)
	Proceeds from Lease Liabilities	551.65	-
	Interest Income received	569.51	541.09
	Finance cost including capitalised to qualifying assets	(4,171.32)	(3,839.66)
	Net Cash genereated / (used) in financing activities (C)	**(2,214.02)**	**(7,186.10)**
D.	**NET CASH INFLOW / (OUTFLOW) (A+B+C)**	**(151.98)**	**393.87**
	Cash and cash equivalents at the beginning of the year	2,693.80	2,299.93
	Cash and Cash equivalents pursuant to addition in Subsidiary	2.83	-
	Cash and cash equivalents at the end of the year	2,544.65	2,693.80
	NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	**(151.98)**	**393.87**
	Significant accounting policies See accompanying notes forming part of the financial statements.	1-2 &3 - 54	

Notes

1. 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.
2. Figures in brackets represent outflows of cash and cash equivalents.

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Statement of changes in equity for the year ended March 31, 2022

a) Change in Equity

(₹ in Lakhs)

Particular	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	18,213.67	17,813.67
Issue of equity shares under employee share option plan	400.00	400.00
Issue of Preferential equity shares	3,118.04	-
Balance at the end of the year	**21,731.71**	**18,213.67**

b) Changes in Other Equity

(₹ in Lakhs)

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, 2020	**1,377.50**	**55,493.35**	**1,537.64**	**1,537.50**	**2.66**	**(4,332.26)**	**55,616.39**	**936.84**	**56,553.23**
Additon during the year	51.00	-	-	-	-	(51.00)			**-**
Amount recorded on grants	-	-	224.40	-	-	-	224.40	-	224.40
Transferred to securities premium account on exercise	-	605.60	(605.60)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	(4,091.52)	(4,091.52)	53.88	(4,037.64)
Other Comprehensive income for the year	-	-	-	-	-	(47.13)	(47.13)	9.47	(37.66)
Balance at the end of the reporting year - March 31, 2021	**1,428.50**	**56,098.95**	**1,156.44**	**1,537.50**	**2.66**	**(8,521.91)**	**51,702.14**	**1,000.19**	**52,702.33**

(₹ in Lakhs)

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, 2021	**1,428.50**	**56,098.95**	**1,156.45**	**1,537.50**	**2.66**	**(8,521.91)**	**51,702.14**	**1,000.19**	**52,702.33**
Additon during the year	**-**	**-**	**-**	**-**	**-**	-	-	213.08	213.08
Premium on Shares issued during the year	-	3,881.96	**-**	**-**	**-**	-	3,881.96	-	-
Amount recorded on grants	-	-	304.85	-	-	-	304.85	-	304.85
Transferred to securities premium account on exercise	-	605.60	(605.60)	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	3,528.28	3,528.28	67.88	3,596.16
Other Comprehensive income for the year	-	-	-	-	-	(12.97)	(12.97)	(4.43)	(17.40)
Balance at the end of the reporting Year - March 31, 2022	**1,428.50**	**60,586.51**	**855.70**	**1,537.50**	**2.66**	**(5,006.60)**	**59,404.26**	**1,276.72**	**60,680.98**

In terms of our report attached.

For Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

Notes forming part of Consolidated Financial Statements for the year ended 31st March 2022

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, 2022 were approved by the Board of Directors and authorise for issue on May 23, 2022.

2 Significant 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 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, 2021	As at March 31, 2022
Marvel Housing Private Limited	Subsidiary	India	100%	100%
Vascon Value Homes Private Limited	Subsidiary	India	100%	100%
River Shore Developers Private Limited **	Subsidiary	India	NIL	92%
Vascon EPC Limited*	Subsidiary	India	100%	0%
GMP Technical Solutions Private Limited	Subsidiary	India	85%	85%

Name of the Company	Relationship	Country of Incorporation or Residence	Voting Power %	
			As at March 31, 2021	As at March 31, 2022
GMP Technical Solutions Middle East (FZE) (wholly owned subsidiary of GMP Technical Solutions Private Limited)	Step down Subsidiary	UAE (Sharjah)	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%
Cosmos Premises Private Limited ##	Joint Venture	India	43.83%	0.00%
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	NIL	26%

* The Board of the Director of theVascon EPC Limited in their meeting held on 26th February 2021 & the members in their Extraordinary General Meeting held on 26th March 2021, have accorded consent to the striking off the name of 'Vascon EPC Limited' one of the non-operative wholly owned subsidiaries. The same was striked off w.e.f 4.10.2021

During the year, the Company has sold its stake in Cosmos Premises Private Lmited for a consideration of Rs. 4550 Lakhs. The Company had recognised profit on sale of Investment for Rs 4213 Lakhs.

** During the year, the Company acquired the 92% stake in River Shore Developers Private Limited and 26% stake in DCS Conventions and Hospitality Private Limited.

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 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 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 reduced for estimated customer returns, rebates and other similar allowances.

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 transfered to the buyer all significant risk and rewards of ownership and seller retains no effective control of the real estate to a degree usally associated with owner ship.
- The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction.
- No significant uncertianty exists regardging 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.

10. Cost of contruction / 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 ceritificate is carried over as completed Finished Properties

2.08 Leases

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.

2.09 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.

2.10 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.

2.11 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.

2.12 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 un utilised compensated absence on the basis of an independent actuarial valuation. The Company has taken a policy with LIC of India for future payment of compensated absences encashment to its employees.

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.

2.13 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.

2.14 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 embodies 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.

2.15 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.

2.16 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.

2.17 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.

2.18 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 financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

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.

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 pronoucements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

- Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

- Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

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	PREMISES	PLANT & MACHINERY	FURNITURE & FIXTURES	MOTOR VEHICLE	OFFICE EQUIPMENT'S	Total	SOFTWARES	OFFICE PREMISES	VEHICLE	Total
Gross Carrying Value												
As at April 1, 2021	350.35	440.02	3,289.02	13,319.85	708.96	348.18	736.02	19,192.40	667.46	1,415.22	100.78	1,516.00
Additions	-	-	9.22	632.15	13.27	117.62	9.49	781.75	29.14	723.45	10.87	734.32
Disposals	11.47	-	-	735.47	6.24	56.13	0.47	809.78	-	8.48	-	8.48
As at Mar 31, 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
Accumulated depreciation												
As at April 1, 2021	122.31	-	2,099.84	10,021.62	635.89	219.64	692.06	13,791.36	649.55	1,253.21	69.77	1,322.98
Additions	15.47	-	90.29	587.14	17.69	59.97	20.54	791.10	17.40	170.42	19.71	190.13
Disposals	10.79	-	-	678.78	6.03	38.26	0.31	734.17	-	-	-	-
As at Mar 30, 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
Net carrying value as at Mar 31, 2022	**211.89**	**440.02**	**1,108.11**	**3,286.55**	**68.44**	**168.32**	**32.75**	**5,316.08**	**29.65**	**706.56**	**22.17**	**728.73**
Gross Carrying Value												
As at April 1, 2020	350.35	440.02	3,286.54	13,168.65	697.37	322.32	720.57	18,985.82	641.45	1,374.81	74.70	1,449.51
Additions	-	-	2.48	249.33	11.59	75.69	15.81	354.90	26.01	40.41	26.08	66.49
Disposals	-	-	-	98.13	-	49.83	0.36	148.32	-	-	-	-
As at March 31, 2021	350.35	440.02	3,289.02	13,319.85	708.96	348.18	736.02	19,192.40	667.46	1,415.22	100.78	1,516.00
Accumulated depreciation												
As at April 1, 2020	105.35	-	1,996.62	9,505.29	616.72	239.06	661.14	13,124.18	624.66	978.80	46.69	1,025.49
Additions	16.96	-	103.22	601.87	19.17	25.62	31.26	798.10	24.89	274.41	23.08	297.49
Disposals	-	-	-	85.54	-	45.04	0.34	130.92	-	-	-	-
As at March 31, 2021	122.31	-	2,099.84	10,021.62	635.89	219.64	692.06	13,791.36	649.55	1,253.21	69.77	1,322.98
Net carrying value as at Mar 31, 2021	**228.04**	**440.02**	**1,189.18**	**3,298.23**	**73.07**	**128.54**	**43.96**	**5,401.04**	**17.91**	**162.01**	**31.01**	**193.02**

Note No. 4 - Investment Property

(₹ in Lakhs)

Description of Assets	Buildings
Gross carrying value *	
As at April 1, 2021	2,280.39
Additions	-
Disposals	22.60
As at Mar 31, 2022 (A)	**2,257.79**
Accumulated depreciation	
As at April 1, 2021	681.68
Charge for the year	79.01
Reversals/ Disposals during the year	20.47
As at Mar 31, 2022 (B)	**740.22**
Net carrying value as at Mar 31, 2022 (A) - (B)	**1,517.57**

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Description of Assets	Buildings
Gross carrying value *	
As at April 1, 2020	2,490.73
Additions	-
Disposals	210.34
As at March 31, 2021 (A)	**2,280.39**
Accumulated depreciation	
As at April 1, 2020	692.96
Charge for the year	87.57
Reversals/ Disposals during the year	98.85
As at March 31, 2021 (B)	**681.68**
Net carrying value as at March 31, 2021 (A) - (B)	**1,598.71**

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 (₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	2,407.66	2,787.01

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 : Of the above, a Building carrying value Rs. 1517.98 Lakhs (Previous Year: Rs. 1595.06 Lakhs) is subject to first charge for secured bank loans (refer note 13.1.)

Note No. 5 : Investment

A. Non Current Investment

(₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
A.	**INVESTMENTS CARRIED AT COST**		
I.	**Unquoted Investments (all fully paid)**		
	Cosmos Premises Private Limited *	-	566.91
	NIL (March 31, 2021: 162,500) Equity Shares of Rs. 10/- Each Fully Paid		
	DCS Conventions and Hospitality Private Limited	0.05	-
	520 (March 21, 2021: NIL) 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 Construction Saga LLP	1.52	1.52
		4,474.52	5,041.38
	INVESTMENTS CARRIED AT COST [A]	4,474.52	5,041.38
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

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
C. Designated as Fair Value Through Profit and Loss		
Quoted investments		
Investments in Equity Instruments - Union Bank of India (formerly Corporation Bank)	0.11	0.11
330 (March 31,2021: 330) Equity shares of □ 10/- Each fully paid		
Total Aggregate Quoted Investments	0.11	0.11
Unquoted Investments(all fully paid)		
Investments in Equity Instruments of structured entities		
The Saraswat Co-Op Bank Limited	0.25	0.25
2,500 (March 31, 2018: 2,500) Equity Shares Of Rs.10/- Each Fully Paid		
	0.25	0.25
Investments in debentures		
Investments in debentures of Ascent Hotels Private Limited	2,750.00	2,750.00
Optionally Convertible Redeemable Debenture 6,726,396 (March 31, 2021: 6,726,396) of face Value Rs.10/- each		
	2,750.00	2,750.00
INVESTMENTS CARRIED AT FVTPL [C]	2,750.36	2,750.36
TOTAL INVESTMENTS [A] + [B] + [C]	**7,225.08**	**7,791.94**

Details of quoted / unquoted investments:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of Quoted Investments and Market Value thereof	0.25	0.25
Aggregate amount of Unquoted Investments	7,224.83	7,791.69
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

* During the year, the Group has sold its stake in Cosmos Premises Private Limited for a consideration of Rs. 4550 Lakhs. The Group had recognised profit on sale of Investment for Rs 3,991.22Lakhs.

B. Current Investment

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Designated as Fair Value Through Profit and Loss		
I. Unquoted Investments (all fully paid)		
Investments in Equity Instruments of structured entities		
Sita Lakshmi Mills Limited	234.00	234.00
806,000 (March 31, 2021: 806,000) Equity Shares of Rs 50/- Each Fully Paid		
Total Unquoted Investments	234.00	234.00
Quoted Investments		
Investment in Mutual Funds	172.68	78.70
HSBC Cash Fund - Growth Direct Plan		
Units 8145.94 (March 31, 2021: 3841.0260) , NAV ₹ 2119.7831 (March 31, 2021: ₹ 2,048.8137) each		
Total Quoted Investments	172.68	78.70
TOTAL CURRENT INVESTMENTS	**406.68**	**312.70**

Notes forming part of Consolidated Financial Statements

Details of quoted / unquoted investments:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of Quoted Investments and Market Value thereof	172.68	78.70
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. 6 : Loans

A. Non Current Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Other Loans		
- Unsecured, considered good	230.43	359.34
Total	**230.43**	**359.34**

B. Current Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Loans and Advances to Employees		
- Unsecured, considered good	199.98	255.20
b) Loans to related parties (Refer Note 33)		
- Unsecured, considered good	430.21	365.53
c) Other Loans		
- Unsecured, considered good	5,706.78	5,980.76
TOTAL	**6,336.97**	**6,601.49**

Note No. 7 : Other Financial Assets

A. Non - Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost		
a) Security Deposits		
- Unsecured		
Considered good	953.59	923.11
Considered doubtful	25.00	25.00
Less: Allowance for Credit Losses	(25.00)	(25.00)
	953.59	923.11
b) Bank deposits with more than 12 months maturity	560.74	570.88
c) Project Advances	8,561.22	8,550.20
d) Interest accrued on deposits	22.45	23.98
TOTAL	**10,098.00**	**10,068.17**

Notes forming part of Consolidated Financial Statements

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortised cost		
a) Security Deposits - Unsecured	365.41	1,101.17
b) Interest accrued on deposits	247.15	173.22
c) Project Advances	3,452.98	2,647.97
d) Other Recoverable (incl JV Partner share)	636.78	636.78
e) Amounts due from customers under construction contracts		
- Gross amount due from customer	30,271.24	19,373.62
- Less : Related Advance Payments received	(4,888.67)	(4,007.64)
	25,382.57	15,365.98
TOTAL	**30,084.89**	**19,925.12**

Note No. 8 : Other Non Current and Current Assets

A. Non current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Balances with government authorities (other than income taxes)	2,814.80	1,873.46
TOTAL	**2,814.80**	**1,873.46**

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Advances to suppliers	2,335.49	2,099.43
b) Other Receivable	323.04	145.23
c) Prepaid Expenses	624.59	693.54
d) Travel Advance	43.33	16.09
TOTAL	**3,326.45**	**2,954.29**

Note No. 9 : Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Building materials / Tools	5,465.91	5,059.47
b) Projects under Development	42,027.95	34,889.06
c) W.I.P/ Finished Goods	888.87	519.35
d) Completed Projects	3,059.01	5,456.70
Total Inventories	**51,441.74**	**45,924.58**

Note No. 10 : Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Unsecured, considered good	12,148.61	13,455.26
(b) Credit Impaired	4,138.46	3,973.73
Less: Allowance for Credit Losses	(4,138.46)	(3,973.73)
	12,148.61	13,455.26
Retention (Accrued but not due)		
(a) Unsecured, considered good	5,698.00	4,310.90
	5,698.00	4,310.90
(Less) : Related Unearned Receivables	(1,601.57)	(1,349.00)
TOTAL	**16,245.04**	**16,417.16**

Notes forming part of Consolidated Financial Statements

Notes:

1. 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".
2. The normal credit period allowed by the Group ranges from 30 to 60 days.
3. 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).
4. The concentration of credit risk is limited due to the fact that customer base is large and unrelated.
5. 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.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
EPC:		
Less than 1 year	3,614.32	5,029.42
1-2 year	1,690.39	1,584.58
2-3 year	447.36	1,178.65
More than 3 year	5,210.44	4,420.86
Less :- Expected Credit Loss	(2,612.91)	(2,557.82)
Total	8,349.60	9,655.69
Development Sales Receivables	1,308.39	817.08
Receivables from Related Parties	563.72	291.23
Clean Room & BMS (GMP) Sales Receivables	7,548.86	7,069.05
Less :- Expected Credit Loss *	(1,525.53)	(1,415.89)
Total	6,023.33	5,653.16
TOTAL	**16,245.04**	**16,417.16**

* 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.

Movement in the expected credit loss allowance is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period / year	3,973.71	2,584.46
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	180.93	1,392.41
Utilization / Reversals	(16.20)	(3.16)
Balance at end of the year	4,138.46	3,973.71

Notes forming part of Consolidated Financial Statements

Note 10 (a)

Mar-22

Trade Receivable ageing schedule **(₹ 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	3,941.08	1,121.53	1,777.26	1,105.73	4,203.00	**12,148.60**
(ii) Undisputed Trade Receivables - Considered doubtful	66.55	266.14	619.36	533.16	2,128.65	**3,613.86**
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered doubtful	1.36	1.58	20.95	260.98	239.74	**524.61**
Total Debtors	**4,008.99**	**1,389.25**	**2,417.57**	**1,899.87**	**6,571.39**	**16,287.07**
Less: Allowance for Loss	-	-	-	-	-	**(4,138.46)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**5,698.00**
Less: Related Unearned Receivables	-	-	-	-	-	**(1,601.57)**
Net Debtors	**4,008.99**	**1,389.25**	**2,417.57**	**1,899.87**	**6,571.39**	**16,245.04**

Mar-21

Trade Receivable ageing schedule **(₹ 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	7,080.20	979.68	1,265.09	1,184.69	2,823.00	**13,332.66**
(ii) Undisputed Trade Receivables - Considered doubtful	565.91	9.73	262.62	400.28	2,193.22	**3,431.76**
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables - Considered doubtful	0.48	34.06	36.85	242.11	228.48	**541.98**
Total Debtors	7,646.59	1,023.47	1,564.56	1,827.08	5,244.70	**17,306.40**
Less: Allowance for Loss	-	-	-	-	-	**(3,973.71)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**4,310.90**
Less: Related Unearned Receivables	-	-	-	-	-	**(1,349.00)**
Net Debtors	**7,646.59**	**1,023.47**	**1,564.56**	**1,827.08**	**5,244.70**	**16,417.18**

Note No. 11 : Cash and Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A) Current Cash and bank balances		
a) Unrestricted Balances with banks#	1,422.62	2,101.70
b) Cash on hand	185.12	165.14
c) Balances with banks in deposit accounts with original maturity of less than 3 months	971.93	487.23
Cash and cash equivalent as per balance sheet	**2,579.67**	**2,754.07**
Bank Overdraft	35.02	60.27
Total Cash and cash equivalent as per statement of cash flows	**2,544.65**	**2,693.80**
B) Other bank balances		
a) Balances with banks in deposit accounts with original maturity more than 3 months	3,149.35	451.75
b) In earmarked accounts		
- Balances held as margin money or security against borrowing, gurantee and other commitments*	4,114.76	4,797.76
Total Other Bank Balances	**7,264.11**	**5,249.51**

Notes forming part of Consolidated Financial Statements

* 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, 2022		As at March 31, 2021	
	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	217,317,111	21,731.71	182,136,716	18,213.67

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.

(₹ in Lakhs except no. of shares)

Particulars	Number of Shares	Equity share capital
Issued and Paid up Capital at April 1, 2020	**178,136,716**	**17,813.67**
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, 2021	**182,136,716**	**18,213.67**
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	4,000,000	400.00
Issue of Preferential equity shares *	31,180,395	3,118.04
Balance at March 31, 2022	**217,317,111**	**21,731.71**

* During the year, Company has raised funds through preferential issue of shares to Group of Investors and Promoters by issuing 3,11,80,395 Equity Shares of the Company at an issue price of Rs. 22.45 per share on a preferential basis.

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	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	22,911,577	10.54	-	-
Vasudevan Ramamoorthy	19,517,124	8.98	42,428,701	23.29
Lalitha Vasudevan	11,727,329	5.40	9,500,158	5.22
Crest Ventures Limited	11,135,857	5.12	-	-
Santosh Sundarajan	10,146,893	4.67	9,140,643	5.02
Vatsalya Enterprises Private Limited	9,599,275	4.42	9,599,275	5.27

(iii) Details of Shareholdings by Promoter / Promoter Group

(Shares in Nos.)

Promoter / Promoter Group Name	31st March, 2022		31st March, 2021		% 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)	22,911,577	10.54	-	-	100.00
Vasudevan Ramamoorthy	19,517,124	8.98	42,428,701	23.29	-54.00
Lalitha Vasudevan	11,727,329	5.40	9,500,158	5.22	23.44
Siddharth Vasudevan Moorthy	4,164,953	1.92	2,828,651	1.55	47.24
Sowmya Adhitya Iyer	700,294	0.32	700,294	0.38	0.00
Ramya Siddharth Moorthy	890,868	0.41	-	0.00	100.00
Promoter Group					
Vatsalya Enterprises Private Limited	9,599,275	4.42	9,599,275	5.27	0.00
Total	**69,511,420**		**65,057,079**		

Notes forming part of Consolidated Financial Statements

(iv) As at 31 Mar, 2022, 4,000,000 shares (As at 31 Mar, 2021, 8,000,000 shares) were reserved for issuance as follows:

Particulars	No. of shares					
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Outstanding employee stock options granted / available for grant	4,000,000	8,000,000	12,000,000	12,000,000	16,000,000	6,476,530

Note No. 12.2 : Other Equity

(₹ in Lakhs)

	Particulars	As at March 31, 2022	As at March 31, 2021
a)	**Capital Redemption Reserve**		
	Opening Balance	1,428.50	1,377.50
	Addition during the year	-	51.00
		1,428.50	1,428.50
b)	**Securities Premium Reserve**		
	Opening Balance	56,098.95	55,493.35
	Premium on Shares Issued during the year	3,881.96	-
	Transferred on account on exercise of share based payment	605.60	605.60
		60,586.51	56,098.95
c)	**Equity-settled employee benefits reserve**		
	Opening Balance	1,156.45	1,537.64
	Amount recorded on grants during the year	304.85	224.40
	Transferred to securities premium account on exercise	(605.60)	(605.60)
		855.70	1,156.44
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	(8,521.91)	(4,332.26)
	Transfer to Capital Redemption Reserve	-	(51.00)
	Profit for the year	3,528.28	(4,091.52)
	Other Comprehensive income	(12.97)	(47.13)
		(5,006.60)	(8,521.91)
		59,404.27	**51,702.14**

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.

Notes forming part of Consolidated Financial Statements

Note No. 12.3: Non Controlling Interest

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	1,000.19	936.84
Subsidiary added during the year	213.08	-
Profit / (Loss) for the year	67.88	53.88
Other Comprehensive Income	(4.43)	9.47
	1,276.72	**1,000.19**

Note No. 13 : Borrowings

A. Non Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Measured at amortised cost		
A. Secured Borrowings:		
a) Fully Redeemable Debentures	-	2,885.37
b) Term Loans		
From Financial Institution (Refer Note 13.1)	1,688.11	1,344.68
c) Vehicle Loan from Financials Instituions (Refer Note 13.1)	25.31	36.77
Total Secured Borrowings	1,713.42	4,266.82
Total Borrowings carried at Amortised Cost	1,713.42	4,266.82
Total Borrowings	**1,713.42**	**4,266.82**

B. Current Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Secured Borrowings		
a) Cash Credit From Banks	7,226.71	7,486.56
b) Current maturities of long term debt (Refer Note 13.1)	4,269.90	8,021.14
	11,496.61	15,507.70
B. Unsecured Borrowings		
a) From Banks (Bank overdraft)	35.02	60.27
b) Loans from related parties (Refer Not 33)	2,409.80	1,382.77
c) Loans from other parties	61.05	56.49
	2,505.87	1,499.53
Total Current Borrowings	**14,002.48**	**17,007.23**
Cash Credit from Banks (SBI, UBI and CSB) ranging from 9% -11% 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.	5,536.65	5,875.91
Cash credit from Axis Bank @ 11.80%, 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) factory land and building (Unit I & Unit II) situated at Baddi and Corporate Guarantee of Holding Compnay.	875.14	479.87
Cash credit from Bank of Baroda @ 9.90%, 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 Compnay.	814.92	1,130.78

Notes forming part of Consolidated Financial Statements

13.1 Disclosure regarding Non Current Borrowings

(₹ in Lakhs)

	Name of the lender	Outstanding amount	Current Maturities	Long Term					Rate of interest	Nature of security
				2023-24	2024-25	2025-26	2026-29	Total		
I.	**Secured Loan**									
a)	Kotak India Real Estate Fund	2,336.63	2,336.63	-	-	-	-	-	15.50%	1. Sole & Exclusive mortgage on the identifiedunsold units with 1.40 lacs sq.ft. Of Saleable area, including 2 villas of the project & Personal Guarantee of the Promoter 2. Sole & Exclusive first charge on the Project development rights both Vascon and Land Owners under Devlopment Agreement 3. Hypothecation on 100% receivable from the Project, which includes boty vascon's and Land Onwer's shares. 4. Escrow account on cash flow from the sales collected from the project 5. Post dated cheques from for the repayment amount of principle and interest
b)	JM Financial Credit Soutions Limited	2,089.51	1,690.60	398.91	0.01	-	-	398.92	15.05%	Secured by way of registered mortgage on the land admesuring approximately 9.9 acres along with approx saleable are of 0.61 MMSFT in Project Good Life located at Talegaon Pune and also escrow of receivable generated from Project Goodlife and secured by way of personal guarantee of Promoter
c)	JM Financial Credit Soutions Limited	319.00	79.75	79.75	79.75	79.75	-	239.25	14.00%	Guarenteed Emergency Credit Line against the Point No. (b) above
d)	UBI - UGECL	195.54	-	39.11	39.11	39.11	78.21	195.54	9.25%	1. 100% Guarntee covered by National Guarentee 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
e)	ICICI Home Finance	742.88	129.54	127.66	144.42	163.38	177.87	613.33	12.40%	Secured by way of registered mortgage on Unit No. 1, 2nd Floor, HDIL Kaledonia, Sahar Road, Andheri (East), Mumbai Admeasuring 9405 Sq Ft. carpet Area.
II.	**Term loans**									
	From Banks									
	Bank of Baroda	263.00	21.92	80.36	80.36	80.36		241.08	7.50%	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 Compnay.
III.	**From Financial Institutions**									
	Daimler Financial Services India Pvt Ltd	36.77	11.46	11.46	11.46	2.39	-	25.31	6.60%	Hypothecation of Vehicle financed by lender
	Daimler Financial Services India Pvt Ltd	60.57	13.61	13.61	33.35	-	-	46.96	10.65%	Hypothecation of Vehicle financed by lender
		6,043.90	**4,283.52**	**750.86**	**388.45**	**364.99**	**256.09**	**1,760.39**		

Notes forming part of Consolidated Financial Statements

Note No. 14 : Other Financial Liabilities

A. Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Financial Liabilities Measured at Amortised Cost		
Commitment and other deposits	1,280.95	1,572.58
Total other Non-Current Financial Liabilities	1,280.95	1,572.58

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Interest accrued but not due on borrowings	59.40	51.81
b) Interest accrued but due on borrowings	36.27	641.95
c) Creditors for capital supplies/services	82.72	38.43
d) Others	323.02	82.13
Total other financial liabilities	**501.41**	**814.32**

Note No. 14A : Lease Liability

A. Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability obligation	478.28	41.08
Finance Lease Liability	46.96	-
Total Other Non-Current Lease Liabilities	**525.24**	**41.08**

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Current maturities of finance lease obligations	13.61	35.11
(b) Current maturities of lease obligations IND AS 116	204.91	115.92
Other Current Lease Liabilities	**218.52**	**151.03**

Note No. 15 : Trade and other payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of Micro and Small Enterprises (Refer Note 37)	584.60	62.34
Total Outstanding dues of Creditors other than Micro and Small Enterprises	27,332.32	24,048.62
Total trade payables	**27,916.92**	**24,110.96**

Note 15 (a)

March 22

Trade Payables ageing schedule **(₹ in Lakhs)**

Particulars	Outstanding for following periods				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	565.36	16.93	0.37	1.94	**584.60**
(ii) Others	16,134.74	1,692.58	2,394.96	7,110.04	**27,332.32**
(iii) Disputed Dues - MSME	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	**-**

Notes forming part of Consolidated Financial Statements

March 21

Trade Payables ageing schedule (₹ in Lakhs)

Particulars	Outstanding for following periods				
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	53.78	6.66	-	1.90	**62.34**
(ii) Others	13,036.90	2,262.46	2,160.93	6,588.33	**24,048.62**
(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 March 31, 2022	As at March 31, 2021
a)	**Provision for employee benefits**		
1)	Compensated absences	993.95	884.76
2)	Gratuity (Refer Note 31)	1,208.40	1,030.39
		2,202.35	1,915.15
b)	**Others**		
1)	Taxation (Net of Advance Tax)	348.26	123.67
2)	Warranty / Provision for Vendor Claims	911.13	-
		1,259.39	123.67
TOTAL		**3,461.74**	**2,038.82**

Note No. 17 : Current Tax and Deferred Tax

(a) Income Tax Expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax:		
Current Income Tax Charge	340.04	1.15
Adjustments in respect of prior years	101.20	(0.58)
Deferred Tax		
In respect of current year origination and reversal of temporary differences	3.22	40.93
Total Tax Expense recognised in profit and loss account	**444.46**	**41.50**

(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before Tax	**4,036.15**	**(3,986.64)**
Income Tax using the Company's domestic Tax rate @ 25.168 %	1,015.84	(1,003.36)
Effect of :		
Income that are exempt from taxation	(77.35)	82.24
Expenses that are non deductible in determining taxable profit	124.55	32.65
Different tax rate of subsidiaries	-	0.01
Adjustments recognised in the current year in relation to the current tax of prior years	(723.00)	888.87
Deferred tax assets recognised on temporary differences	3.22	40.93
Changes in estimates related to prior years	101.20	0.16
Income Tax recognised In P&L	**444.46**	**41.50**

Notes forming part of Consolidated Financial Statements

c) Deferred Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of Fixed Assets	18.15	18.15
Effects of reameasuring Financials instruments, Financial guarntee Commission and OCI under IND AS	1.34	1.34
Others		-
Tax effect of items constituting deferred tax liability	19.49	19.49
Tax effect of items constituting deferred tax asset		
Provision for compensated absences and gratuity	74.01	74.01
Disallowance u/s 40a / Provision for Doubtful debts & Advances	561.06	562.35
MAT Credit Entitlement	6.41	6.41
Effects of reameasuring Financials instruments, Financial guarntee Commission and OCI under IND AS	48.98	48.98
Unabsorbed depreciation carried forward and brought forward business losses	0.50	2.43
Tax effect of items constituting deferred tax asset	690.96	694.18
Net Deferred Tax Asset / (Liability)	**671.47**	**674.69**

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, 2022

Note No. 18 : Other Liabilities

A. Non Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Deferred Revenue		
- Deferred Government grant related to assets	-	3.17
TOTAL	**-**	**3.17**

B. Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a. Advances received from customers		
- Gross amount due to customers	15,056.11	9,894.54
- Less : Related Unbilled Revenues	(4,888.67)	(4,007.64)
	10,167.44	5,886.90
b. Amount due to customers under construction contracts		
- Gross amount due to customers	6,617.73	4,485.75
- Less : Related Debtors	(1,601.57)	(1,349.00)
	5,016.16	3,136.75
c. Statutory dues		
- taxes payable (other than income taxes)	1,793.92	1,687.46
d. Deferred Revenue		
- Deferred Government grant related to assets	4.00	4.00
Total Other Current Liabilities	**16,981.52**	**10,715.11**

Notes forming part of Consolidated Financial Statements

Note No. 19 : Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue recognised / sales (gross)		
- Contract Revenue	40,928.78	29,633.32
- Sale of Unit/Land	4,202.41	5,787.57
- Trading Sales & Other Sales	0.88	6.99
- Manufacturing Sales	19,429.12	14,854.31
- Other sales (Includes maintenance charges of soceity,Hire charges,Scrap Sales)	542.73	215.46
Other Operating Income		
- Rent / Compensation / Maintenance	199.10	190.60
- Share of profit / (loss) from Joint Venture	383.03	(111.09)
Total Revenue from Operations	**65,686.05**	**50,577.16**

Note No. 20 : Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest income on Financial Assets at Amortised Cost	569.51	541.09
b) Dividend received on investments carried at fair value through profit or loss in Liquid Mutual fund units	3.98	9.78
c) Dividend income Other	13.09	-
d) Profit on sale on Investment	3,991.22	-
e) Provision / Creditors no longer required written back	235.85	181.36
f) Profit on sale of capital assets (Net of loss on assets sold / scrapped / written off)	347.09	339.85
g) Bad Debts Recovered	0.17	42.45
h) Foreign exchange gain	-	-
i) Miscellaneous income	159.63	126.54
Total Other Income	**5,320.54**	**1,241.07**

Note No. 21.a : (a) Cost of materials and services consumed

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract	34,710.12	24,811.07
Development	2,706.91	2,317.75
Cost of Material Consumed	13,393.92	9,485.60
Incidental borrowing cost incurred attributable to qualifying assets	1,129.17	943.94
Total cost of materials and services consumed	**51,940.12**	**37,558.36**

Note No. 21.b : (c)Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Segment wise Revenue and Results		
Closing balance of projects under development :		
Completed Units / Finished goods	888.86	519.34
Work-in-progress	45,086.96	40,345.77
	45,975.82	40,865.11
Opening balance of projects under development:		
Completed Units / Finished goods	519.35	429.27
Work-in-progress*	45,294.90	43,125.91
Add- Transitional Adjustment on account of application of Ind AS 115	-	-
	45,814.25	43,555.18
Net (increase) / decrease	(161.57)	2,690.07

* Opening WIP includes Rs. 4949.13 Lakhs on Account of acquisition of Rivershore Developers Pvt. Limited.

Notes forming part of Consolidated Financial Statements

Note No. 22 : (d) Employee benefit expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Salaries and wages, including bonus	6,234.40	5,245.26
b) Contribution to provident and other funds (Refer Note 31)	364.03	294.56
c) Share based payment transactions expenses (Refer Note 28)	304.85	224.40
d) Staff Welfare & Other Expenses	117.63	92.90
Total Employee Benefit Expense	**7,020.91**	**5,857.12**

Note No. 23 : (e) Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Interest expense	3,409.97	3,449.66
b) Other borrowing costs	163.28	174.63
	3,573.25	3,624.29
Less : Amounts included in the cost of qualifying assets	1,129.17	943.94
Total Finance Costs	**2,444.08**	**2,680.35**

Note No. 24 : (g) Other expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Stores and spares consumed	295.48	220.68
b) Power & Fuel oil consumed	275.42	230.30
c) Rent including lease rentals	355.44	227.87
d) Repairs to buildings	73.09	60.64
e) Repairs to Plant & Machinery	90.77	87.00
f) Repairs and maintenance - Others	63.62	39.28
g) Rates & Taxes	105.86	153.56
h) Insurance charges	47.51	85.01
i) Bad debts and other receivables, loans and advances written off	3.74	446.32
j) Provision For Doubtful Debt And Advances	164.74	1,850.00
k) Provision for diminution in value in investment	1,100.00	-
l) Audit Fees	-	-
1) Audit fees	39.25	46.27
2) Limited Review	23.25	15.00
3) Certification Services	3.22	-
m) Other Expenses		
1) Legal and other professional costs	835.48	708.24
2) Advertisement, Promotion & Selling Expenses	177.26	249.42
3) Travelling and Conveyance Expenses	408.85	261.22
4) Postage and telephone	92.82	79.62
5) Printing and stationery	39.13	32.47
6) Brokerage / commission	42.93	61.49
7) Donations	4.10	1.63
8) Corporate Social Responsibility Expenditure (Refer Note 40)	40.00	100.00
9) Bank charges	37.14	62.15
10) Hire Charges Paid	24.02	26.01
11) Foreign exchange gain / loss (net)	22.81	12.64
12) Miscellaneous Expenses	281.63	352.70
n) Net gain/(loss) arising on financial assets designated as at FVTPL	1.00	400.00
Total Other Expenses	**4,648.56**	**5,809.52**

Notes forming part of Consolidated Financial Statements

Note 25: Disclosures under Ind AS 33

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Basic Earnings per share (Amount In Rupees)	1.76	(2.27)
Diluted Earnings per share (Amount In Rupees)	1.76	(2.27)

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:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit for the year	3,591.72	(4,028.17)
Add: Profit/(Loss) attributable to Non - Controlling Interest	73.09	53.88
Profit for the year attributable to owners of the Company (A)	3,518.63	(4,082.05)
Weighted average number of equity shares (B)	199,559,036	179,603,383
Earnings per share from continuing operations - Basic (Amount In Rupees) (A / B)	1.76	(2.27)

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.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit / (loss) for the year used in the calculation of basic earnings per share	3,518.63	(4,082.05)
Weighted average number of equity shares used in the calculation of Basic EPS	199,559,036	179,603,383
Employee Stock Option Plans	552,510	552,510
Weighted average number of equity shares used in the calculation of Diluted EPS	200,111,546	180,155,893
Earnings per share from continuing operations - Dilutive (Amount In Rupees)	1.76	(2.27)

Note No. - 26 Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Group's financials instruments

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Non - Current Assets				
(i) Investments	4,474.72	5,041.58	4,474.72	5,041.58
(ii) Loans	230.43	359.34	230.43	359.34
(iii) Others Financial Assets	10,098.00	10,068.17	10,098.00	10,068.17
Current Assets				
(i) Trade receivables	16,245.04	16,417.16	16,245.04	16,417.16
(ii) Cash and cash equivalents	2,579.67	2,754.07	2,579.67	2,754.07
(iii) Bank balances other than (ii) above	7,264.11	5,249.50	7,264.11	5,249.50
(iv) Loans	6,336.97	6,601.49	6,336.97	6,601.49
(v) Others Financial Assets	30,084.89	19,925.12	30,084.89	19,925.12
Financial assets measured at fair value through Statement of Profit & Loss				
(a) Current investments	406.68	312.70	406.68	312.70
(b) Non Current investments quoted	0.11	0.11	0.11	0.11
(c) Non Current investments unquoted	2,750.25	2,750.25	2,750.25	2,750.25

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Carrying amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Non - Current Liabilities				
(i) Borrowings	1,713.42	4,266.82	1,713.42	4,266.82
(ii) Other financial liabilities	1,806.20	1,613.66	1,806.20	1,613.66
Current Liabilities				
(i) Borrowings	14,002.49	17,007.23	14,002.49	17,007.23
(ii) Trade and other payables	27,916.92	24,110.98	27,916.92	24,110.96
(iii) Other financial liabilities	719.94	965.34	719.94	965.34

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:

(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 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.

(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 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.

Notes forming part of Consolidated Financial Statements

The following table presents the assets and liabilities measured at fair value on recurring basis at March 31, 2022 and March 31, 2021.

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3
March 31, 2022			
Investment in mutual funds	172.68	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-
March 31, 2021			
Investment in mutual funds	78.70	-	-
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, 2022, 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 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 borroings, trade and other payables, less cash and cash equivalents, excluding discountinued operations.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (Refer Note 13 & 14A)	15,776.48	21,309.17
Trade Payables (Refer Note 15)	27,916.92	24,110.98
Less : Cash and Cash Equivalents (Refer Note 11)	9,843.78	8,003.58
Net Debt	**33,849.62**	**37,416.57**
Total Equity (Refer Note 12)	81,135.98	69,915.81
Total Capital	**81,135.98**	**69,915.81**
Capital and Net Debt	**114,985.60**	**107,332.38**
Gearing Ratio	**29%**	**35%**

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, 2022 and March 31, 2021.

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 ₹ 62,165.01 lakhs and ₹ 52,768.16 lakhs as of March 31, 2022 and March 31, 2021 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, 2022 and March 31, 2021, 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.

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:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period year	3,973.73	2,584.46
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	180.93	1,392.42
Utilization / Reversals	(16.20)	(3.16)
Balance at the end of the year	4,138.46	3,973.73

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-22		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	27,916.92	-	-
Other Financial Liabilities	501.41	1,280.95	-
Working capital demand loans / Term loans	14,002.48	1,713.42	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	-	-

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	31-Mar-21		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	24,110.96	-	-
Other Financial Liabilities	814.32	1,572.58	-
Working capital demand loans / Term loans	15,643.23	4,266.82	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	1,364.00	-	-

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

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, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
Trade Receivables	EURO	-	-	-	-
	GBP	-	-	-	-
	USD	0.51	0.52	38.64	38.54
	EURO	0.18	0.18	15.48	15.87
	USD	15.48	11.34	1,173.36	833.78

Foreign Curreny 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.

(₹ in Lakhs)

For the year ended	Currency	Change in Rate	Effect on Pre Tax Profit
March 31, 2022	USD	+10%	113.47
	USD	-10%	(113.47)
	EURO	+10%	1.55
	EURO	-10%	(1.55)
March 31, 2021	USD	+10%	79.52
	USD	-10%	(79.52)
	EURO	+10%	1.59
	EURO	-10%	(1.59)

In Management's opinion, the sensitivity analysis is unresprestative of the inhernet foreign exchange risk because the exposure at the end of the reporting year does not affect the exposure during the year.

Notes forming part of Consolidated 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 2021-22	FY 2020-21
Options granted, beginning of the year	8,000,000	12,000,000
Granted during the year	4,000,000	4,000,000
Exercised during the year	4,000,000	4,000,000
Cancelled/lapsed during the year	-	-
Options granted, end of the year	4,000,000	8,000,000
Weighted Average remaining life	0.42	1.42

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
	ESOS - 2017
Share price at grant date	29.55
Exercise price	15
Expected volatility	68.00%
Expected life / Option Life	4 Year from the date of vesting
Expected dividends yield	0%
Risk-free interest rate (based on government bonds)	6.70%

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 March 31, 2022	As at March 31, 2021
Opening Balance	181.39	461.52
Additions during FY 2021-22	793.38	66.48
Deletion during the year	3.38	78.99
Finance costs incurred during the year	78.97	31.59
Payments of Lease Liabilities	306.59	299.21
Balance as at 31st March, 2022	**743.77**	**181.39**

(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, 2022	For the year ended March 31, 2021
(i) Expenses related to Short Term Lease & Low Asset Value Lease		
- Finance Cost	78.97	31.59
- Depreciation	188.14	295.51
(ii) Expenses related to Short Term Lease & Low Asset Value Lease	325.55	192.45
Total Expenses	**592.66**	**519.55**

(iv) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	47.38	92.72
One to five years	116.44	20.04
More than five years		
Total undiscounted Lease Liability	**163.82**	**112.75**
Balances of Lease Liabilities		
Non Current Lease Liability	525.25	41.08
Current Lease Liability	218.52	140.30
Total Lease Liability	**743.77**	**181.39**

Note - 30: Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for) (₹ in Lakhs)

	As at 31 March, 2022	As at 31 March, 2021
Contingent liabilities		
(a) Disputed demands for Income Tax	752.26	260.63
(b) Disputed demands for Service Tax / Excise Duty / Sales Tax	313.96	822.70
(c) Disputed demands for Value Added Tax / GST	1,716.50	1,237.35
(d) Performance and financial guarantees given by the Banks on behalf of the Group	16,625.78	14,119.78
(e) Corporate guarantees given for other companies / entities and mobilization During the previous year, Corporate guarantees given to victoria of Rs. 7500 lakhs has been discharged by the UBI Bank communicated through letter dated 26.08.2020. However Corporate Guarantee had not been closed in the Bank System. Hence the same is treated as contingent in the books till the bank system udated.	7,500.00	12,927.19
(f) Claims against the Group not acknowledged as debt	3,726.13	3,701.90

Notes forming part of Consolidated Financial Statements

(i) The Creditors of the Company have filed a civil suit claiming of ₹ 835.04 lakhs (Previous year ₹ 810.81 lakhs) as amount due to them, which claims the Company is disputing.

(ii) Short Levy of Stamp Duty due to misclassification of conveyance deed as development agreement amounting to ₹ 20.14 lakh (Previous year ₹ 20.14 lakh) with Joint District Registrar & Collector of Stamps , Pune.

(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).

(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 Current 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.

(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 Current 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.

(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 current 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.

(g) 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

Notes forming part of Consolidated Financial Statements

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

(₹ in Lakhs)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,535.60	1,296.92

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 305.17 Lakhs for Provident Fund contributions (March 31, 2021 : Rs.218.51 Lakhs) and Rs 32.96 Lakhs towards ESIC (March 31, 2021 : Rs.30.22 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.

(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, 2022

(₹ in Lakhs)

Particulars	Funded Plan	
	Gratuity	
	2022	2021
Service Cost		
Current Service Cost	128.36	135.88
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	64.60	65.30
Components of defined benefit costs reconised in profit or loss	192.96	201.18
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amunt included in net interest expense)	6.91	(4.39)
Actuarial gains and loss arising form changes in financial assumptions	(15.12)	(100.69)
Actuarial gains and loss arising form experience adjustments	22.83	(91.23)
Actuarial gains and loss arising from demographic adjustments	8.25	0.90
Componenets of defined benefit costs recognised in other comprehensive income	22.87	(195.41)
Total	**215.83**	**5.77**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	1,314.86	1,178.74
2. Fair value of plan assets as at 31st March	109.09	178.86
3. Surplus/(Deficit)	(1,205.77)	(999.88)
4. Current portion of the above	916.10	999.88
5. Non current portion of the above	305.30	178.86
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	(1,178.74)	(1,312.14)
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	(128.36)	(135.88)
- Past Service Cost	-	-
- Interest Expense (Income)	(74.53)	(79.24)

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Funded Plan	
	Gratuity	
	2022	2021
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	(8.25)	(0.90)
ii. Financial Assumptions	15.12	100.69
iii. Experience Adjustments	(22.83)	91.23
5. Benefit payments	82.74	157.50
6. Others (Specify)	-	-
7. Present value of defined benefit obligation at the end of the year	**(1,314.85)**	**(1,178.74)**
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	178.86	249.01
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account	-	-
- Expected return on plan assets	2.82	5.70
- Mortality Charges and Taxes	(4.04)	(4.13)
4. Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	0.20	12.62
- Others (specify)	-	-
5. Contributions by employer (including benefit payments recoverable)	13.98	22.70
6. Benefit payments	(82.74)	(107.05)
7. Fair value of plan assets at the end of the year	**109.08**	**178.85**
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.)
2023	360.60
2024	119.45
2025	122.35
2026	137.31
2027	127.52
2028-2032	914.35

A. Effect of 0.5 % to 1 % change in the assumed discount rate	**Increase**	**Decrease**	**Increase**	**Decrease**
	31-Mar-22	**31-Mar-22**	**31-Mar-21**	**31-Mar-21**
Defined Benefit Obligation	1254.96	1,382.14	1132.03	1230.27

B. Effect of 1 % change in the assumed Salary Escalation Rate	**Increase**	**Decrease**	**Increase**	**Decrease**
	31-Mar-22	**31-Mar-22**	**31-Mar-21**	**31-Mar-21**
Defined Benefit Obligation	1375.67	1,259.27	1,229.02	1,132.93

C. Effect of 1 % to 5% change in the assumed Withdrawal Rate	**Increase**	**Decrease**	**Increase**	**Decrease**
	31-Mar-22	**31-Mar-22**	**31-Mar-21**	**31-Mar-21**
Defined Benefit Obligation	1324.29	1,304.58	1,188.33	1,165.31

Notes forming part of Consolidated Financial Statements

V. Experience Adjustments :

		Period Ended	
		2022	2021
		Gratuity	
1.	Defined Benefit Obligation	1,314.86	1,178.74
2.	Fair value of plan assets	109.09	178.86
3.	Surplus/(Deficit)	(1,205.77)	(999.88)
4.	Experience adjustment on plan liabilities [(Gain)/Loss]	(36.74)	(91.23)
5.	Experience adjustment on plan assets[Gain/(Loss)]	7.45	(105.06)

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 publicaly 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 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.

Notes forming part of Consolidated Financial Statements

Note 33 : Related Party Transactions

I Names of related parties

1. Joint Ventures
   - Phoenix Ventures
   - Cosmos Premises Private Limited *(Disposed off w.e.f 31.10.21)*
   - Ajanta Enterprises
   - Vascon Saga Constructions LLP
   - Vascon Qatar WLL
2. Associates
   - Sita Laxmi Mills Ltd
   - DCS Conventions and Hospitality Private Limited *(w.e.f 17.10.2021)*
   - Mumbai Estate Private Limited
3. Key Management Personnel
   - Mr. Vasudevan Ramamoorthy
   - Mr. Siddarth Vasudevan
   - Dr Santosh Sundararajan
   - Mr. Somnath Biswas
   - Ms.Vibhuti Dani
   - Mr. Rajesh Mhatre *(resigned w.e.f 18th Oct 2021)*

   Other Directors
   - Mr. V Mohan *(Deceased w.e.f 5th Nov 2021)*
   - Mr. K G Krishnamurthy
   - Mr.Mukesh Malhotra
   - Ms. Sowmya Aditya Iyer
   - Mr. Sankaramahalingam Balasubramanium *(appointed 26th Nov 2021)*
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
   - 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

Notes forming part of Consolidated Financial Statements

- 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, 2022	As at March 31, 2021
(a)	**Sales and work**	**1,128.77**	**802.57**
	Joint Ventures		
	Phoenix Ventures	263.73	194.63
	Cosmos Premises Private Limited	(11.46)	86.46
	Ajanta Enterprises	242.03	182.32
	Total	**494.29**	**463.42**
	Key management Personnel		
	Mr.Mukesh Malhotra	1.55	1.28
	Dr Santosh Sundararajan	1.18	6.06
	Total	**2.73**	**7.34**
	Enterprise where KMP & Relatives of KMP significant influence		
	Cherry Constructions Private Limited.	631.75	331.81
	Total	**631.75**	**331.81**
(b)	**Interest Income/commission Received**	**95.74**	**122.80**
	Joint Venture		
	Ajanta Enterprises	51.08	106.61
		51.08	**106.61**
	Enterprise where KMP & Relatives of KMP significant influence		
	- Conamore Resorts Pvt Ltd.	44.66	16.19
		44.66	**16.19**
(c)	**Interest Expense /commission Paid**	**171.30**	**107.62**
	Joint Venture		
	Ajanta Enterprises	-	8.22
	Total	**-**	**8.22**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	71.51	36.27
	Hamcon Engineers Pvt Limited	7.77	9.02
	Space Centric Marketing & Construction Consultancy Pvt Ltd	-	1.80
	Sira Assets LLP	92.02	51.75
	Total	**171.30**	**98.84**
	Relatives of Key Management Personnel		
	Mr. Siddarth Vasudevan	-	0.57
	Total	**-**	**0.57**
(d)	**Purchase of Goods / Work/Rent**	**448.95**	**388.17**
	Joint Venture		
	Ajanta Enterprises	8.62	0.10
	Total	**8.62**	**0.10**
	KMP		
	Ms. Sowmya Aditya Iyer	2.38	-
	Total	**2.38**	**-**

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	Enterprise where KMP & Relatives of KMP significant influence		
	Rent		
	Flora Facilities Private Limited	222.39	195.75
	Deep Advisory Services	18.00	
	Lalitha Vasudevan	4.62	-
	Works		
	Stresstech Engineers Private Limited	6.25	36.50
	Conamore Resorts Pvt Ltd.	10.00	-
	Vastech Consultants Private Limited	30.60	-
	Vastech Consultants & Engineers LLP	146.09	155.83
	Total	**437.95**	**388.07**
(e)	**Receiving of Services**	**1,411.24**	**1,331.26**
	Key Management Personnel		
	Mr. Vasudevan Ramamoorthy		
	a) Short term benefits	1.67	510.00
	b) Post Employment benefits*	0.00	0.00
	Dr Santosh Sundararajan		
	a) Short term benefits **	271.67	228.55
	b) Post Employment benefits*	18.25	18.19
	c) Share based payments	129.55	36.73
	Mr. Somnath Biswas **		
	a) Short term benefits	61.28	67.96
	b) Post Employment benefits*	5.46	4.51
	c) Share based payments	35.08	9.95
	Mr. Siddharth Vasudevan **		
	a) Short term benefits	280.19	192.24
	b) Post Employment benefits*	12.33	11.12
	Mr. Rajesh Dilip Mhatre **		
	a) Short term benefits	134.73	172.91
	b) Post Employment benefits*	15.94	3.31
	c) Share based payments	129.55	36.73
	Ms. Vibhuti Darshin Dani		
	a) Short term benefits	23.29	15.09
	b) Post Employment benefits*	0.46	0.58
	Total	**1119.45**	**1307.85**
	* Post employement 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	217.38	138.78
	b) Mr. Somnath Biswas	40.64	34.44
	c) Mr. Rajesh Dilip Mahtre	56.03	90.20
	d) Mr. Siddharth Vasudevan	148.37	100.68
	During the current & previous financial year short term employment benefits represents Net of Tax salary received by KMP.	**462.41**	**364.10**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	18.13	11.90
	Vastech Consultants Private Limited	-	38.25
	Total	**18.13**	**50.16**

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
(f)	**Share of Profit from AOP/Firm**	**390.68**	**0.02**
	Joint Ventures		
	Phoenix Ventures	7.72	0.02
	Ajanta Enterprises	382.96	-
	Total	**390.68**	**0.02**
(g)	**Share of Loss from AOP/Firm**	**-**	**108.97**
	Joint Ventures		
	Ajanta Enterprises	-	108.97
	Total	**-**	**108.97**
(h)	**Reimbursement of expenses**	**4.16**	**5.22**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	4.16	5.22
		4.16	**5.22**
(i)	**Finance Provided (including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit**	**2,025.64**	**885.45**
	Joint Ventures		
	Mumbai Estate Private Limited	10.00	-
	Total	**10.00**	**-**
	Joint Ventures		
	Phoenix Ventures	100.00	133.92
	Ajanta Enterprises	450.00	10.00
	Total	**550.00**	**143.92**
	Enterprise where KMP & Relatives of KMP significant influence		
	Hamcon Engineers Pvt Ltd	-	600.00
	Daffodil Projects Pvt Ltd	-	5.00
	Conamore Resorts Pvt Ltd.	402.64	125.32
	Sira Assets LLP	275.00	-
	Flora Facilities Private Limited	788.00	-
	Total	**1,465.64**	**730.32**
	Key Management Personnel		
	Mr. Vasudevan Ramamoorthy	114.30	-
	Mr. Siddharth Vasudevan	-	11.21
	Total	**114.30**	**11.21**
(j)	**Finance availed /Received back(including equity contributions in cash or in kind)**	**2,881.63**	**2,175.19**
	Joint Ventures		
	Phoenix Venture	38.00	-
	Ajanta Enterprises	1,057.39	1,108.19
	Total	**1,095.39**	**1,108.19**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	619.50	185.00
	SIRA ASSETS LLP	346.00	250.00
	Hamcon Engineers Pvt Ltd	50.00	258.00
	Daffodil Projects Pvt Ltd	2.98	2.00
	Space Centric Marketing & Construction Consultancy Pvt Ltd	17.00	-
	One Stop Shop India Pvt Ltd	150.00	-
	Conamore Resorts Pvt Ltd.	352.73	162.00
	Total	**1,538.22**	**857.00**

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	Key Management Personnel		
	Mr. Vasudevan Ramamoorthy	248.02	210.00
	Total	**248.02**	**210.00**
(k)	**Outstanding as on**		
	A) Receivable to Vascon Engineers Limited	**7,354.94**	**7,296.81**
	Joint Ventures	**1,136.27**	**1,050.55**
	a) Trade Receivable		
	Phoenix Ventures	762.86	672.49
	Cosmos Premises Private Limited	-	13.53
	Total	**762.86**	**686.02**
	b) Loans & Advances		
	Phoenix Ventures	-	9.85
	Total	**-**	**9.85**
	c) Balance in current accounts		
	Phoenix Ventures	373.41	354.68
	Total	**373.41**	**354.68**
	Associates	**2,573.00**	**2,563.00**
	a) Loans & Advances (Including deposits and trade advances)		
	Mumbai Estate Private Limited	2,573.00	2,563.00
	Total	**2,573.00**	**2,563.00**
	Enterprise where KMP & Relatives of KMP significant influence	**3,425.24**	**3,461.86**
	a) Trade Receivable		
	Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	62.06	62.06
	Stresstech Engineers Private Limited	56.79	-
	Daffodil Projects Pvt Ltd	424.28	427.27
	Rose Premsies Pvt Ltd	0.65	0.65
	Cherry Constructions Private Limited.	214.99	245.52
	Total	**758.78**	**735.50**
	b) Loans & Advances (Including deposits and trade advances)		
	Flora Facilities Private Limited	125.00	125.00
	CONAMORE RESORTS PVT LTD.	259.08	168.98
	Daffodil Projects Pvt Ltd	7.78	7.78
	Rose Premsies Pvt Ltd	1,719.75	1,719.75
	One Stop Shop India Pvt Ltd	170.35	320.35
	Venus Ventures	384.50	384.50
	Total	**2,666.46**	**2,726.36**
	Key Management Personnel	**220.44**	**221.40**
	a) Trade Receivable		
	Mr. Vasudevan Ramamoorthy	3.34	3.34
	Mr.Santosh Sundararajan	11.10	12.06
	Total	**14.44**	**15.40**
	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	**4,017.05**	**2,795.31**
	Joint Venture	**1,838.99**	**988.17**
	a) Trade Payable		
	Ajanta Enterprises	14.98	5.39
	Total	**14.98**	**5.39**

Notes forming part of Consolidated Financial Statements

(₹ in Lakhs)

		As at March 31, 2022	As at March 31, 2021
	b) Loans & Advances		
	Phoenix Ventures	1.15	-
	Cosmos Premises Private Limited	60.09	50.00
	Total	**61.24**	**50.00**
	c) Balance in current accounts		
	Ajanta Enterprises	1,762.77	932.77
	Total	**1,762.77**	**932.77**
	Key Management Personnel	**777.63**	**623.92**
	a) Trade Payable		
	Ms. Sowmya Aditya Iyer	2.14	-
	Mr. Mukesh Malhotra	136.76	118.92
		138.91	**118.92**
	b) For Deposit Received		
	Mr. R Vasudevan	638.72	505.00
	Total	**638.72**	**505.00**
	Enterprise where KMP & Relatives of KMP significant influence	**1,400.43**	**1,183.23**
	a) Trade Payable		
	Flora Facilities Private Limited ((Formerly known as Flora Premises Private Limited))	66.16	8.48
	Deep Advisory Services	16.20	-
	Stresstech Engineers Private Limited	5.25	28.57
	Vastech Consultants & Engineers LLP	103.80	29.37
	Vastech Consultants Private Limited	37.06	100.08
	Mrs. Lalitha Vasudevan	4.16	-
	CONAMORE RESORTS PVT LTD.	9.00	-
	Space Centric Marketing & Construction Consultancy Pvt Ltd	34.52	19.55
	Total	**276.14**	**186.06**
	b) Loans/(Advances)		
	Flora Facilities Private Limited	326.20	417.56
	Hamcon Engineers Pvt Limited	128.79	64.13
	Sira Assets LLP	669.30	515.48
	Total	**1,124.29**	**997.17**

Note 34 Key Ratios

	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance	Reason for Variance
(a)	Current Ratio	Current Assets	Current Liablities	1.87	1.83	0.02	On account of Repayment of Borrowings leads to better Current Ratio
(b)	Debt-Equity Ratio,	Total Debt (Non-current borrowings + Current Borrowings + Finance Lease Liability)	Equity Capital	0.19	0.30	-0.36	Increase in Shareholder's Equity and also reduction in borrowings from the proceeds of Prefrential issue and internal accrual from the sale of Inventory resulted in the improvement of the ratio.

Notes forming part of Consolidated Financial Statements

	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance	Reason for Variance
(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)	0.45	-0.01	-69.74	Reduction in debt and corresponding reduction in interest cost improves EBITA
(d)	Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's Equity	4.43	-5.76	-1.77	Increase in Profit after tax as compared to last year resultant improves the ratio
(e)	Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	1.06	0.86	0.24	Revenue growth and efficient inventory opeartions during the year has lead to faster inventory churning and thereby the inventory turnover ratio is improved
(f)	Trade Receivables turnover ratio,	Sale of Products	Average Trade Receivables	4.02	2.93	0.37	Improved turnover ratio on account of improved collection from debtor
(g)	Trade payables turnover ratio,	Net Purchase during the Year	Average Trade Payables	2.20	1.72	0.28	
(h)	Net capital turnover ratio,	Sale of Products	Working Capital	1.20	1.12	0.08	Due to growth in Revenue along with improved operating efficiencies in the business, cash balance, receivables and inventory balance is increased which has resulted better working capital and an improvement in the ratio.
(i)	Net profit ratio,	Net Profit after taxes	Sale of Products	0.05	-0.08	-1.69	Increase in revenue and reduction of finance cost, salary cost and other admin cost improves the ratio
(j)	Return on Capital employed,	Earnings before interest and taxes (Loss before taxes + Finance costs)	"Capital employed (Tangible Net worth + Total Debt)"	7.54	-1.70	-5.43	Incresase is on account of positive EBIT for the year in compare to negative EBIT previous year.
(k)	Return on investment.	Income on Investment	Cost of Investment	1.36	2.37	-0.43	Decreased becasue of Cosmos Investment disposed off during the year

Notes forming part of Consolidated Financial Statements

Note 35 : Disclosure of additional information as required by the Schedule III

a) As at and for the year ended March 31, 2022 :

(₹ 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	88%	72,359.43	93%	3,349.02	-128%	16.62	94%	3,365.63
Subsidiaries								
Vascon Value Homes Private Limited	0%	(0.84)	0%	(0.39)	0%	-	0%	(0.39)
Vascon EPC Limited	0%	-	0%	0.03	0%	-	0%	0.03
Marvel Housing Private Limited	0%	3.91	1%	26.23	0%	(0.04)	1%	26.20
GMP Technical Solutions Private Limited	7%	6,055.54	12%	414.16	194%	(25.12)	11%	389.05
Almet Corporation Limited	0%	238.99	0%	(10.59)	0%	-	0%	(10.59)
Marathawada Realtors Private Limited	0%	86.94	-1%	(18.15)	0%	-	-1%	(18.15)
River Shore Developers Private Limited	3%	2,390.49	0%	(11.78)	0%	-	0%	(11.78)
Joint Ventures								
Cosmos Premises Private Limited	0%	-	-6%	(229.91)	0%	-	-6%	(229.91)
Vascon Construction Saga LLP	0%	1.52	0%	-	0%		0%	-
Non Controlling Interest	2%	1,276.72	2%	73.09	34%	(4.43)	2%	68.66
Total	**100%**	**82,412.70**	**100%**	**3,591.71**	**100%**	**(12.97)**	**100%**	**3,578.75**

b) As at and for the year ended March 31, 2021

(₹ 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	89%	63,348.00	92%	(3,688.06)	234%	(111.01)	93%	(3,799.07)
Subsidiaries								
Vascon Value Homes Private Limited	0%	(0.45)	0%	(0.29)	0%	-	0%	(0.29)
Vascon EPC Limited	0%	0.97	0%	(0.02)	0%	-	0%	(0.02)
Marvel Housing Private Limited	0%	(22.29)	0%	(9.35)	0%	0.73	0%	(8.63)
GMP Technical Solutions Private Limited	8%	5,666.49	-8%	305.32	-114%	53.68	-9%	359.01
Almet Corporation Limited	0%	249.56	2%	(81.63)	0%	-	2%	(81.63)
Marathawada Realtors Private Limited	0%	105.09	11%	(434.46)	0%	-	11%	(434.46)
Joint Ventures								
Cosmos Premises Private Limited	1%	566.91	4%	(173.56)	0%	-	4%	(173.56)
Vascon Construction Saga LLP	0%	1.52	0%	-	0%	-	0%	-
Non Controlling Interest	1%	1,000.20	-1%	53.88	-20%	9.47	-2%	63.35
Total	**100%**	**70,916.00**	**100%**	**(4,028.17)**	**100%**	**(47.13)**	**100%**	**(4,075.30)**

Notes forming part of Consolidated Financial Statements

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-22	31-Mar-21	
Ajanta Enterprises	Real Estate	Pune	50%	50%	N
Phoenix Ventures	Real Estate	Pune	50%	50%	N
Cosmos Premises Private Limited	Hospitality	Goa	0%	44%	N
Vascon Construction Saga 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-22	31-Mar-21
Current assets	11,184.88	10,507.66
Non-current assets	1,417.00	1,505.14
Current liabilities	15,464.86	12,419.45
Non-current liabilities	-	-
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	966.80	1,571.03
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-
Revenue	4,412.70	103.99
Profit (loss) for the year	765.91	(217.94)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	765.91	(217.94)
Dividends received from the joint venture during the year	-	-
The above profit (loss) for the year includes the following:		
Depreciation and amortisation	25.91	26.92
Interest income	57.50	52.02
Interest expense	-	0.93
Income tax expense (income)	417.67	3.30

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-22	31-Mar-21
Net assets of Ajanta Enterprise	(2,862.98)	(406.65)
Proportion of the Company's ownership interest in Ajanta Enterprise	50%	50%
Receivables / (Payable) from / to Partners	(12)	(410)
Goodwill	3,953.24	3,953.24
Carrying amount of the Company's interest in Ajanta Enterprise *	**2,510.17**	**3,340.17**

* Includes Partner's Fixed and Current Capital

Summarised financial information in respect of Phoenix Venture is set out below.

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
Current assets	205.91	177.22
Non-current assets	833.41	833.41
Current liabilities	955.70	937.69
Non-current liabilities	-	-
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	70.42	97.37

Notes forming part of Consolidated Financial Statements

Particulars	31-Mar-22	31-Mar-21
Current financial liabilities (excluding trade and other payables and provisions)	-	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-	-
Revenue	1,558.83	82.37
Profit (loss) for the year	10.67	0.03
Other comprehensive income for the year	-	-
Total comprehensive income for the year	10.67	0.03
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	5.23	3.57
Income tax expense (income)	4.77	0.01

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-22	31-Mar-21
Net assets of Phoenix Venture	83.62	72.93
Proportion of the Company's ownership interest in Phoenix Venture	50%	50%
Receivables from Partners	531.60	518.20
Carrying amount of the Company's interest in Phoenix Venture *	**573.41**	**554.67**

* Includes Partner's Fixed and Current Capital

During the Year, Company had sold the Investment in Cosmos Premises Private Limited, Hence summarised financial information in respect of Cosmos Premises Private Limited is set out below only for March 31, 2021 **(Previous Year)**.

(₹ in Lakhs)

Particulars	31-Mar-21
Current assets	903.22
Non-current assets	1,143.01
Current liabilities	470.13
Non-current liabilities	49.96
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	429.64
Current financial liabilities (excluding trade and other payables and provisions)	110.96
Non-current financial liabilities (excluding trade and other payables and provisions)	-
Revenue	936.10
Profit (loss) for the year	1.04
Other comprehensive income for the year	(0.32)
Total comprehensive income for the year	0.72
Dividends received from the joint venture during the year	-
The above profit (loss) for the year includes the following:	
Depreciation and amortisation	78.65
Interest income	16.41
Interest expense	2.43
Income tax expense (income)	3.75

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-21
Net assets of the Cosmos Premises Private Limited	1,526.14
Proportion of the Company's ownership interest in Cosmos Premises Private Limited	44%
Capital Reserve	101.99
Carrying amount of the Company's interest in Cosmos Premises Private Limited	**566.92**

Notes forming part of Consolidated Financial Statements

Summarised financial information in respect of Vascon Construction Saga LLP is set out below.

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
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-22	31-Mar-21
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, 2022	March 31, 2021
(i) Principal amount remaining unpaid to MSME suppliers as on	560.18	280.43
(ii) Interest due on unpaid principal amount to MSME suppliers as on	36.72	28.00
(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)	8.72	12.13
(v) The amount of interest accrued and remaining unpaid as on	36.72	28.00
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	8.72	12.13

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 "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 group 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.

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.

Notes forming part of Consolidated Financial Statements

40 Disclosure of particulars of contract revenue

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Contract Revenue Recognized during the year	40,928.78	29,633.32
Contract costs incurred during the year	34,769.87	24,815.63
Recognized Profit	6,158.92	4,817.69
Advances received for contracts in progress	(5,389.55)	(4,248.25)
Retention money for contracts in progress	4,525.55	3,408.38
Gross amount due from customer for contract work (assets)	25,091.11	15,975.28
Gross amount due to customer for contract work (liability)	1,436.72	747.43

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 Committe has been formed by the company to undertake CSR activities on 09/11/2016 pursuant to the requirement of the Act.

a. Gross amount required to be spent by the Company during the year - 15.46 lakhs

b. 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	0	0	0
ii) Purpose other than (i) above	40	0	40

(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;	No Short Fall during the Year
(ii)	The total of previous years' shortfall amounts;	No Shortfall in Previous Year
(iii)	The reason for above shortfalls by way of a note;	NA
(iv)	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, 2022 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 Construction Saga LLP

Vascon Qatar WLL

Phoenix Ventures

DCS Conventions and Hospitality Private Limited

43 During the Financial Year, the Group has paid full and final balance outstanding towards Zero coupon, rupee denominated unrated unlisted secured non-convertible debentures of 1364 lakhs.

44 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.

45 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.

46 The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

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:

a) 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

b) provide any guarantee, security, or the hike to or on behalf of the Ultimate Beneficiaries

Notes forming part of Consolidated Financial Statements

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:

a) 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

b) provide any guarantee, security, or the hike to or on behalf of the Ultimate Beneficiaries

49 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 Wilful Defaulter

The Group has not declared Wilful Defaulter by any bank or financial institutions or any other lender.

51 Relationship with Struck off Companies

The Group has not done any transactions with companies struck off under section 248 of the Companies Act, 2013.

52 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.

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 Sharp & Tannan Associates
Chartered Accountants
Firm registration number - 109983W

Sd/-
CA Tirthraj Khot
Partner
Membership No. : (F) - 037457

Date : May 23, 2022
Place : Pune

For and on behalf of the Board of Directors

Sd/-
Siddharth Vasudevan
Managing Director
(DIN-02504124)

Sd/-
Mukesh Malhotra
Director
(DIN-00129504)

Sd/-
Dr Santosh Sundararajan
(DIN: 000152299)
Whole Time Director & Group Chief Executive Officer

Sd/-
Vibhuti Darshin Dani
Company Secretary & Compliance Officer

Sd/-
Somnath Biswas
Chief Financial Officer

Date : May 23, 2022
Place : Pune

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, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue										
Total Sales including eliminations	41,295.58	29,732.57	4,578.33	5,910.78	19,439.70	15,054.31	-	-	65,313.61	50,697.66
External sales	41,295.58	29,732.57	4,578.33	5,910.78	19,429.12	14,854.31	-	-	65,303.03	50,497.66
Less: Eliminations	-	-	-	-	(10.58)	(200.00)	-	-	(10.58)	(200.00)
Other operating income	-	-	390.68	79.19	-	-	(7.64)	0.31	383.03	79.51
Total Revenue	41,295.58	29,732.57	4,969.01	5,989.97	19,439.70	15,054.31	(7.64)	0.31	65,696.64	50,777.16
Result										
Segment result	6,178.02	3,240.53	819.71	(836.83)	1,123.68	638.40	-	-	8,121.41	3,042.10
Unallocated expenditure net of unallocated income							(2,223.75)	(4,889.51)	(2,223.75)	(4,889.51)
Operating profit							(2,223.75)	(4,889.51)	5,897.66	(1,847.42)
Interest expenses							(2,444.08)	(2,680.35)	(2,444.07)	(2,680.34)
Interest and dividend income							582.60	541.09	582.60	541.09
Income taxes							(444.46)	(41.50)	(444.46)	(41.50)
Profit after tax							(4,529.69)	(7,070.27)	3,591.73	(4,028.16)
Other information										
Segment assets	46,394.68	40,653.03	76,921.09	66,793.94	17,264.69	13,479.43	8,434.47	10,710.72	149,014.93	131,637.13
Segment liabilities	23,163.73	18,227.40	27,231.08	26,747.30	8,746.06	5,328.75	8,738.08	11,418.51	67,878.96	61,721.96
Capital expenditure	602.37	170.89	-	-	208.51	210.03	-	-	810.88	380.92
Depreciation and amortization	307.23	318.40	17.68	18.48	545.30	467.96	207.42	403.21	1,077.63	1,208.05

Notes :

1 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)

2 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”.

3 Segment assets and liabilities represents assets and liabilities in respective segments. Invetsments, Tax related assets and other assets and liabilities that cannot be allocated to segment on reasonable basis have been disclosed as “Unallocable”

4 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, Cosmos Premises Private Limited
Manufacturing & BMS	GMP Technical Solutions Private limited, GMP Technical Servicers (FZE)

VASCON

Registered and Corporate Office: Vascon Weikfield Chambers, Behind Hotel Novotel,
Opposite Hyatt Hotel, Pune-Nagar Road, Pune-411014.
Tel No.: +91 20 3056 2200.
Contact Person: Mrs. Vibhuti Darshin Dani, Company Secretary and Compliance Officer
E-mail: compliance.officer@vascon.com, **Website:** www.vascon.com
Corporate Identity Number: L70100PN1986PLC175750

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37th Annual General Meeting of Members of Vascon Engineers Limited (the Company') will be held on Wednesday, September 28, 2022 at 11:30 hours through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statements of the Company for the financial year ended March 31, 2022, 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, 2022 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 financial statements of the Company for the financial year ended March 31, 2022 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, 2022 and the report of Auditors thereon, as circulated to the members be and is hereby considered and adopted".

2. To reappoint Mrs. Sowmya Aditya Iyer (DIN: 06470039), as Director 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, Mrs. Sowmya Aditya Iyer (DIN: 06470039), who retires by rotation at this meeting, and being eligible offers herself for re-appointment be and is hereby appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **RATIFICATION OF REMUNERATION OF COST AUDITOR FOR FINANCIAL YEAR 2022-2023**

   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, 2023, be and is hereby ratified."

4. **APPOINTMENT OF MR. SANKARAMAHALINGAM BALASUBRAMANIAN (DIN: 06622735) AS NON-EXECUTIVE INDEPENDENT DIRECTOR FOR A FIRST TERM OF FIVE YEARS**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV and V and other applicable provisions of Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Sankaramahalingam Balasubramanian (DIN:06622735), who was appointed as an Additional Director of the Company in the category of Independent Director, of the Company and who has submitted a declaration confirming that he meets the criteria of independence under Section 149(6) of the Act and whose candidature for the office of Director has been recommended by the Nomination and Remuneration Committee and Board of Directors and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five years, with effect from November 26, 2021 and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT Mrs. Vibhuti Darshin Dani, Company Secretary and Compliance Officer and/or Mr. Somnath Biswas, Chief Financial Officer and/or Dr. Santosh Sundararajan, Whole time Director and Group Chief Executive Officer and/or any one Director of the Company be and are hereby authorized to do all necessary things including filing requisite forms with Registrar of Companies, Pune."

5. **APPROVAL FOR PAYMENT OF REMUNERATION TO MR. SIDDHARTH VASUDEVAN MOORTHY AS MANAGING DIRECTOR OF THE COMPANY**

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

"**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee, approval of the Board of Directors and subject to the provisions of sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof, for the time being in force) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and the Articles of Association of the Company, approval of the members be and is hereby accorded for ratification of payment of remuneration to Mr. Siddharth Vasudevan Moorthy, Managing Director (DIN:02504124), w.e.f. 1st April 2021 till 31st March 2023, by way of salary, perquisites and amenities as detailed in the explanatory statement to this notice.

RESOLVED FURTHER THAT in addition to the aforesaid salary, the said Managing Director be and is hereby entitled to additional payment by ex-gratia, bonus, commission or otherwise in any other manner a sum not exceeding five percent of the net profits of the Company, including the above remuneration, with liberty to pay such net profits of the Company, in one or more instalments entirely at the discretion of the Board.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall pay Mr. Siddharth Vasudevan Moorthy, the remuneration by way of salary, perquisites, commission or any other allowances as specified above in accordance with the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force) or such other limits as may be prescribed by the Government from time to time in this regard.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e)(ii) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, approval of the members be and is hereby accorded for payment of aggregate annual remuneration to Mr. Siddharth Vasudevan Moorthy exceeding 5% of net profits of the Company.

RESOLVED FURTHER THAT the payments made by the Company to the Managing Director and acts done the Company in relation thereto, be and are hereby ratified.

RESOLVED FURTHER THAT Mrs. Vibhuti Darshin Dani, Company Secretary and Compliance Officer and/or Mr. Somnath Biswas, Chief Financial Officer and/or Mr. Santosh Sundararajan, Whole time Director and Group Chief Executive Officer and/or any one Director of the Company be and are hereby authorized to do all necessary things including filing requisite forms with Registrar of Companies, Pune."

6. **AUTHORISATION UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

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

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 1,000 Crores (Rupees One Thousand Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT Mrs. Vibhuti Darshin Dani, Company Secretary and Compliance Officer and/or Mr. Somnath Biswas, Chief Financial Officer and/or Mr. Santosh Sundararajan, Whole time Director and Group Chief Executive Officer and/or any one Director of the Company be and are hereby authorized to do all necessary things including filing requisite forms with Registrar of Companies, Pune and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

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.

Place: **Pune**
Date: **August 02, 2022**

By order of the Board of Directors

Sd/-
Vibhuti Darshin Dani
Company Secretary and Compliance Officer

NOTES:

1. In compliance with the Ministry of Corporate Affairs ("MCA") General Circular No. 02/2022 dated 5th May, 2022 read with Circular Nos. 20/2020, 14/2020, 17/2020, 02/2021 and 21/2021 dated 5th May, 2020, 8th April, 2020, 13th April, 2020, 13th January, 2021 and 14th December, 2021 respectively (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 ("SEBI Circular") and any other applicable circulars issued by MCA & SEBI in this regard [collectively referred to as MCA and SEBI circulars], the Company will be conducting 37th Annual General Meeting ("AGM"/"Meeting") through Video Conferencing or Other Audio Visual Means ("VC"/"OAVM")

M/s KFin Technologies Limited, (earlier known as Kfin Technologies Private Limited) Registrar & Transfer Agents of the Company, ("KFintech") shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/ OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No.20 below

In accordance with the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") read with Clarifications/ Guidance on applicability of Secretarial Standards-1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not required to be annexed to this Notice.

2. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("Act")

3. The Statement pursuant to section 102(1) of the Companies Act, 2013 in respect of the special business set out in the Notice, is annexed hereto. All documents referred to in the Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to compliance.officer@vascon.com.

4. M/s Sharp & Tannan associates, Chartered Accountants have been appointed as Statutory Auditors of the Company at the 34thAGM of the Company held on September 23, 2019.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending Section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

6. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM.

The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address to savitajyoti@yahoo.com with a copy marked to evoting@kfintech.com and to the Company at compliance.officer@vascon.com.

Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/ OAVM and vote thereat.

7. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. KFin Technologies Limited (earlier known as Kfin Technologies Private Limited) having their office at Selenium Building, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.

8. Electronic Dispatch of Notice and Annual Report:

The Annual Report for Financial Year 2021-22 and the notice of Annual General Meeting of the Company is being sent only through electronic mode to those members whose Email Address is registered with the Company or the Depository Participant(s) pursuant to Sections 101 and 136 of the Act read with rules framed thereunder and Regulation 36(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and in compliance with MCA and SEBI circulars.

The Annual Report for Financial Year 2021-22 and Notice of the AGM is also uploaded on the website of the Company, website of the Stock Exchanges and on the website of the KFintech and can be accessed through following links:

Company's website (Annual Report & Notice)	www.vascon.com
Stock Exchanges website	www.bseindia.com ; www.nseindia.com
RTA's website	https://evoting.kfintech.com

Members can request for hard copy of the Annual Report by sending a request at compliance.officer@vascon.com

9. Investor Education and Protection Fund (IEPF) Related Information

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

The details of unpaid and unclaimed dividends lying with the Company as on March 31, 2022 are uploaded on the website of the Company and can be accessed through the link www.vascon.com

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

The said details were uploaded on the website of IEPF Authority www.iepf.gov.in.

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.

10. 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.

11. Transfer of Shares Permitted in Demat Form Only

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, except in case of request received for transmission or transposition of securities.

In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. 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 of the demat procedure.

12. Nomination:

Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to KFintech having their office at Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 or send an email at: einward.ris@kfintech.com. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

13. 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.

14. MEMBERS ARE REQUESTED TO:

a. intimate to the KFintech, changes, if any, in their registered addresses/bank mandates at an early date, in case of shares held in physical form;

b. intimate to the respective Depository Participant, changes, if any, in their registered addresses/bank mandates at an early date, in case of shares held in electronic/ dematerialized form;

c. quote their folio numbers/ Client ID and DP ID in all correspondence;

d. consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names; and

e. register their Permanent Account Number (PAN) with their Depository Participants, in case of Shares held in dematerialised form and KFintech/Company, in case of Shares held in physical form, as directed by SEBI.

15. UPDATION OF MANDATORY KYC DETAILS:

I. **Shares held in physical form:** SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with clarificatory Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, has mandated physical shareholders to furnish PAN, nomination, contact details (postal address with PIN, mobile number & E-mail address), bank account details (bank name & branch, bank account number and IFSC code) and specimen signature (‘mandatory KYC’). Accordingly, Members holding shares in physical form are requested to complete the mandatory KYC by sending an E-mail request along with duly signed Form ISR-1 and other relevant forms to KFintech at the E-mail ID: einward.ris@kfintech.com from ISR-1 is availble on the website ofthe Company.

As per SEBI circular, non-availability of any of the above documents/details with KFintech on or after 1st April, 2023 will result in freezing of the physical shareholders’ folios.

II. **Shares held in dematerialised form:** Members holding shares in dematerialized form are requested to submit/update their KYC details with their respective Depository Participant.

16. UPDATION OF PERMANENT ACCOUNT NUMBER (PAN)/BANK ACCOUNT DETAILS OF MEMBERS:

SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated registration of PAN and Bank Account details for all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account details to the Registrar and Share Transfer Agents along with a self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, Members are requested to submit a copy of bank passbook/statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant(s).

17. PROCEDURE FOR INSPECTION OF DOCUMENTS:

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and relevant documents referred to in this Notice of AGM and Explanatory Statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 28, 2022. Members seeking to inspect such documents can send an email to Company's investor email id: compliance.officer@vascon.com

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).

19. PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES TO RECEIVE THIS NOTICE ELECTRONICALLY AND CAST VOTES ELECTRONICALLY:

i. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

   a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.

   b. Members holding shares in physical form may register their email address and mobile number with the Company's Registrar and Transfer Agents, KFin Technologies Limited by sending an email request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the e-voting instructions.

ii. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with Kfintech for temporary registration of email addresses of the Members in terms of the MCA Circulars.

   Process to be followed for temporary Registration of Email Address:

   a. The process for registration of email address with KFintech for receiving the Notice of AGM and login ID and password for e-voting is as under:

      i. Visit the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

      ii. Select the name of the Company viz. Vascon Engineers Limited and follow the steps for registration of email address.

   b. The process for registration of email address with the Company for receiving the Notice of AGM and login ID and password for e-voting is as under:

   Members are requested to visit the website of the Company www.vascon.com and click on the tab "Click here for temporary registration of email-id of Members for AGM" and follow the registration process as mentioned on the landing page.

iii. After successful submission of the email address, KFintech will email a copy of this AGM Notice and Integrated Annual Report for F.Y. 2021-22 along with the e-voting user ID and password. In case of any queries, Members are requested to write to KFintech at einward.ris@kfintech.com.

iv. Those Members who have already registered their email addresses are requested to keep their email addresses validated/ updated with their DPs/KFintech to enable servicing of notices/documents/Annual Reports and other communications electronically to their email address in future.

20. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM:

i. **ATTENDING THE AGM**: Members will be provided with a facility to attend the AGM through video conferencing platform provided by KFintech. Members are requested to login at https://emeetings.kfintech.com and click on the "Video Conference" tab to join the Meeting by using the remote e-voting credentials provided in the email received from KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the Meeting etiquettes to join the Meeting. Members who do not have or have forgotten the USERID and password for e-voting, may retrieve the same by following the remote e-voting instructions mentioned in Note No 21.

ii. Facility for joining AGM though VC/OAVM shall open atleast 30 minutes before the scheduled time of the commencement of the Meeting.

iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting.

iv. Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. In case of any query and/or help, in respect of at tending the AGM through VC/OAVM mode, Members may refer the Help & Frequently Asked Questions ("FAQs") and "AGM VC/OAVM" user manual available at the download Section of https://evoting.kfintech.com/public/Faq.aspx or contact at compliance.officer@vascon.com, or Mr. S V Raju, Deputy Vice President, KFin Technologies Limited at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032 or at the email ID: einward.ris@kfintech.com. or call Toll Free No.: 1800-309-4001 for any further clarifications.

21. 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: Saturday, September 24, 2022 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: Tuesday, September 27, 2022 at 5.00 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:

Step 1: Access to NSDL/CDSL e-Voting System:

I. Login method for e-voting for Individual Shareholders holding Shares of the Company in demat mode

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on e-voting facility provided by Listed Entities, Individual Shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts/websites of Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

A. Login Method for Individual Shareholders holding Shares of the Company in Demat mode through National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"):

National Securities Depository Limited (NSDL)	**Central Depository Services (India) Limited CDSL**
1. **User already registered for IDeAS facility:** 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"** under the value added services on the panel available on the left hand side. IV. Click on "Active E-voting cycle" option under E-voting. V. Click on company name **Vascon Engineers Limited** 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** 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 to complete registration using your DPID/Client ID, mobile number etc. IV. After successful registration, follow steps given in points 1. 3. **Alternatively by directly accessing the e-Voting website of NSDL** 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.	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. 2. **User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 to cast your vote 3. **Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e. Kfintech to cast to cast your vote without any further authentication

B. Login Method for Individual Members holding Shares of the Company in Demat mode through their Depository Participants:

You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once you login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository website after successful authentication, wherein you can see e-voting feature. Click on options available against the Company's Name: Vascon Engineers Limited 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.

Important Note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at the NSDL and CDSL websites.

Helpdesk for Individual Shareholders holding Shares of the Company 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.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II. Login method for e-Voting for Shareholders other than Individual Shareholders holding Shares of the Company in demat mode and Shareholders holding Shares in physical mode

I. In case a Member receives an email from Kfintech [for Members whose email IDs are registered with the Company/ Depository Participants (s) will receive an email from KFintech which includes the details of Evoting Event Number (EVEN), User-ID and Password:

a. Launch internet browser by typing the URL: https://evoting.kfintech.com.

b. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 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 KFin Technologies for e-voting, you can use your existing User ID and password for casting your vote.

c. After entering these details appropriately, click on "LOGIN".

d. You will now reach password change Menu wherein you are required to mandatorily change your password upon logging in for the first time. 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.**

e. You need to login again with the new credentials.

f. On successful login, the system will prompt you to select the "EVENT" i.e., 'VASCON ENGINEERS LIMITED"

g. 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 on the Cut-off Date. 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.

h. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

i. 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.

j. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

k. 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).

l. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the latest Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email savitajyoti@yahoo.com 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_Event No."**

II. In case of a Member whose email IDs are not registered /updated with the Company/KFintech / Depository Participants(s):

a. Members holding shares in physical mode, who have not registered /updated their email addresses are requested to register / update the same with the Company's Registrar and Share Transfer Agent, KFintech, by clicking the link https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.

Alternatively member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and

Client Master copy in case of electronic folio and copy of Share Certificate in case of physical folio.

b. 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.

c. After due verification, KFintech will forward your login credentials to your registered email address.

d. Follow all the instructions at Sr. No. a to l as mentioned in **point I**. above, to cast your vote.

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).

22. VOTING AT THE AGM:

a. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the meeting is being held through VC/OAVM.

b. The e-Voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.

c. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same. The Members shall be guided on the process during the AGM.

d. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility 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 in the AGM.

e. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again.

23. GENERAL INSTRUCTIONS/INFORMATION FOR MEMBERS FOR VOTING ON THE RESOLUTIONS:

a. A Member can opt for only a single mode of voting i.e. through remote e-voting or e-voting at the AGM.

b. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

c. The voting rights of Members shall be in proportion to the paid-up value of their shares in the Equity Share capital of the Company as on the cut-off date i.e. Wednesday, September 21, 2022. Members are eligible to cast their vote either through remote e-voting or in the AGM only if they are holding Shares as on that date. A person who is not a Member as on the cutoff date is requested to treat this Notice for information purposes only.

d. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e. Wednesday, September 21, 2022, he/she/it may obtain the User ID and Password in the manner as mentioned below:

e. i. 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:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890

f. 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.

g. Member may call KFin Technologies Limited toll free number 1800-309-4001 (from 9.00 a.m. to 5.00 p.m.) for technical issues or write to them at einward.ris.@kfintech.com

h. Member may send an e-mail request to einward.ris@kfintech.com. However, KFintech shall endeavor to send User ID and Password to those new Members whose e-mail IDs are available.

i. 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/public/Faq.aspx (KFintech Website) or contact Mr. S V Raju, Deputy Vice President KFin Technologies Limited or at the email ID: einward.ris@kfintech.com or call Toll Free No.: 1800-309-4001 for further clarifications.

24. SCRUTINIZER FOR E-VOTING AND DECLARATION OF RESULTS:

Mrs. Savita Jyoti (Membership No.3738) of M/s Savita Jyoti Associates, Company Secretaries has been appointed as Scrutinizer to scrutinize the e-voting process as well as e-voting during the AGM, in a fair and transparent manner.

The Scrutinizer will, after the conclusion of the e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Company or any other person of the Company authorised by the Chairman, who shall countersign the same. The Results shall be declared within two working days of the conclusion of the Meeting.

The Results declared along with the consolidated Scrutinizer's Report shall be hosted not later than 48 hours of the AGM on the website of the Company at www.vascon.com and on the website of KFintech at https://evoting.kfintech.com immediately after the Results are declared and will simultaneously be forwarded to BSE Limited and the National Stock Exchange of India Limited, where Equity Shares of the Company are listed. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, September 28, 2022, subject to receipt of the requisite number of votes in favour of the Resolutions.

25. SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:

a. Members desiring any additional information or having any question or query pertaining to the business to be transacted at the AGM are requested to write from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio number and mobile number to the Company's investor email-id i.e. compliance.officer@vascon.com between Saturday, September 24, 2022 9:00 AM (IST) to Monday September 26, 2022 (5:00 p.m. IST)so as to enable the Management to keep the information ready. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.

b. Alternatively, Members holding shares as on the cut-off date may also visit www.evoting.kfintech.com and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, demat account number/folio number, email ID and mobile number. The window shall be activated between Saturday, September 24, 2022 9:00 AM (IST) to Monday September 26, 2022 (5:00 p.m. IST). Members can also post their questions during AGM through the "Ask A Question" tab, which is available in the VC/OAVM Facility

The Company will, at the AGM, endeavor to address the queries received till 5:00 p.m. (IST) on September 26, 2022, from those Members who have sent queries from their registered email IDs. Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date.

26. SPEAKER REGISTRATION BEFORE AGM:

a. Members o f the Company, holding shares as on the cut-off date i.e., Wednesday, September 21, 2022 and who would like to speak or express their views or ask questions during the AGM may register as speakers by visiting https://emeetings.kfintech.com, and clicking on "Speaker Registration" during the period from Saturday, September 24, 2022 9:00 AM IST to Monday September 26, 2022 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.

By Order of the Board of Directors

Sd/-
Vibhuti Darshin Dani
Company Secretary and Compliance Officer

Place: Pune
Date: August 02, 2022

ANNEXURE TO NOTICE OF AGM

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 (Item no. 2 & 4)

Particulars	**Sankaramahalingam Balasubramanian**	**Sowmya Aditya Iyer**
Designation	**Non-Executive -Independent Director (Additional)**	**Non-Executive Director**
DIN	06622735	06470039
Age	56 Years	32 years
Date of Birth	May 07, 1966	November 11, 1989
Qualifications	Bachelor of Engineering, Post Graduate Diploma in Management from Indian Institute of Management, Bangalore, India	Bachelor's degree in Business Administration and advance Diploma in Interior Design
Experience (including expertise in specific functional areas)/ Brief Resume	Mr. Sankaramahalingam 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.	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.
Terms and Conditions of appointment/re-appointment	He was first appointed as Additional Director on November 26, 2021 subject to approval of shareholders in the ensuing AGM. He is not liable to retire by rotation.	Liable to retire by Rotation
Remuneration last drawn	Being a Non-Executive Independent Director he receives remuneration by way of sitting fees for attending meetings of the Board	Being a Non-Executive Director she receives remuneration by way of sitting fees for attending meetings of the Board
Remuneration sought to be paid	Not applicable	Not applicable
Date of first appointment on the Board	November 26, 2021	March 31, 2015
Relationship with other Directors/Key Managerial Personnel	Not Applicable	Sowmya Aditya Iyer is the daughter of Mr. Vasudevan Ramamoorthy and sister of Mr. Siddharth Vasudevan Moorthy.
No. of Board Meetings attended during the financial year 2021-22	2 out of 9 meeting held*	7 out of 9 meetings held*
Board Membership of other listed companies as on March 31, 2022	Nil	Nil

Particulars	Sankaramahalingam Balasubramanian	Sowmya Aditya Iyer
Audit Committee	Not Applicable	Not Applicable
Stakeholders Relationship Committee	Not Applicable	Not Applicable
Nomination and Remuneration Committee (NRC)	Not Applicable	Member in NRC of Vascon Engineers Limited Any other Company: NIL
Corporate Social Responsibility Committee	Not Applicable	Member of CSR of Vascon Engineers Limited Any other Company: NIL
No. of Equity Shares held as on March 31, 2022	Nil	700294 shares

**Meetings include a separate meeting of Independent directors*

***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.*

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business.

Item No. 3

The Board of Directors on the recommendation of the Audit Committee have approved appointment of Ms. Varsha Limaye, Cost Accountant as Cost auditor of the Company for the F.Y. 2022-23 at a remuneration of Rs. 250,000/-(Rupees Two Lakhs Fifty Thousand Only) plus applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor as recommended by Audit Committee and approved by the Board has to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or any of their relatives are in anyway, concerned or interested, financially or otherwise in the said resolution.

The Board recommends the Resolution at Item No.3 for approval by the Members.

Item no 4

Mr Sankaramahalingam Balasubramanian (DIN: 06622735), was appointed as an Additional Director by the Board with effect from November 26, 2021, pursuant to Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr Balasubramanian will hold office upto the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Mr Balasubramanian for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. In terms of the provisions of Section 149 of the Act, an independent director shall hold office for a term of up to five consecutive years on the Board and may hold office for up to two consecutive terms. Section 149 of the Act and the provisions of the Listing Regulations inter alia prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. The Company has received a declaration from Mr S. Balasubramanian that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. Mr Balasubramanian is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. A brief profile of Mr Sankaramahalingam Balasubramanian in terms of Regulation 36(3) of the Listing Regulations is detailed in the Annexure to this notice. Considering the rich experience of Mr. Sankaramahalingam Balasubramanian, your Board considers that his appointment as a Director of the Company will be in its best interest of the Company. In the opinion of the Board, he fulfills the conditions for appointment as an independent Director as specified in the Act and the Listing Regulations. He is also independent of the management. A copy of the letter of appointment setting out the terms and conditions of his appointment is available for inspection by the members at the registered office of the Company.

The Board at its meeting held on November 26,2021 and based on the recommendation of the Nomination and Remuneration Committee, has recommended the appointment of Mr.Sankaramahalingam Balasubramanian as Independent Director of the Company. In the opinion of the Board, Mr, Sankaramahalingam Balasubramaniam fulfills the conditions for appointment as an Independent Director.

Additional information in respect of Mr. Sankaramahalingam Balasubramanian, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives, other than S. Balasubramanian is concerned or interested financially or otherwise in the resolution. The Board of Directors recommend the Special Resolution set out at Item no. 4 of the Notice for approval by the members

ITEM No 5

Mr. Siddharth Vasudevan Moorthy was appointed as Managing Director of the Company w.e.f. 1st April 2018 for a period of 5 years. His terms of remuneration were updated and approved by the shareholder of the Company at their 34th Annual General Meeting held on September 23, 2019 by way of Special Resolution. In view of the inadequacy of profits as per Section 197 of the Companies Act, 2013 for certain years, it is considered appropriate to obtain ratification of the remuneration paid and / or payable to the Managing Director in terms of Schedule V of the Companies Act, 2013. Accordingly, shareholders approval is being sought for ratification of remuneration paid during FY 2021-2022 as well remuneration paid and/ or payable in the financial year 2022-23.

Information as required under Clause (iv) of the second proviso under item (B) of Section II of Part II of Schedule V of the Act

I. General Information:

1. Nature of Industry: EPC and Real Estate Industry
2. Date or Expected date of commencement of commercial production: working for more than 30 years
3. In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in prospectus: NA
4. Financial Performance based on given indicators: Excellent, Turn over and Gross Profit for 2021-22 was ₹ 84.43 Lakhs, turnover: ₹ 51,635.93 Lakhs.
5. Foreign Investments or collaborations, if any: NA

II. Information about the Appointee

1. Background Details:

Mr. Siddharth Vasudevan Moorthy (Age: 36 years) 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. He is also currently pursuing Executive MBA.

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 Managing Director on the Board of our Company since April 01, 2018. He has been conferred with many awards.

He was first appointed on the Board on March 29, 2018.

He had attended 08 meetings of the company during the Financial Year ended March 31, 2022. He holds 41,64,953 shares as on March 31, 2022.

He is also a Director on the Board of

a. GMP Technical Solutions Private Limited
b. Ecostruct Contractors Private Limited
c. Tathaatvam Technology Solutions Private Limited
d. Mumbai Estates Private Limited

He is also a Member in Audit Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee of Vascon Engineers Limited

He is also a member in Audit Committee, Nomination and Remuneration and Corporate social Responsibility Committee of GMP Technical Solutions Private Limited

2. Past Remuneration

Details of the remuneration of Mr. Siddharth Vasudevan Moorthy is as under:

A. Basic Salary: Rs. 15,00,000/- per month in the slab of Rs. 15, 00,000/- to Rs. 25,00,000/-
B. LTA: One Month's Basic Salary
C. Rent Free Furnished Accommodation or housing allowance at the rate of 50% of the Basic Salary per month.
D. Reimbursement of Domiciliary medical treatment expenses for major sickness and hospitalization on production of vouchers for self and other relatives at actual.

E. Use of Company's Car for Company's business and partial private use and telecommunication facilities at residence including broadband, internet and fax.

F. Membership of such prestigious clubs as business exigency may warrant including entrances and admission fees.

G. Contribution to Provident Fund and payment of Gratuity, other retirement benefits and leave encashment as per the Rules of the Company. In addition to the aforesaid salary, the said Managing Director be and is hereby entitled to additional payment by exgratia, bonus, commission or otherwise in any other manner in accordance with Schedule V of the Companies Act, 2013

H. Salary structure shall be decided by the Board.

3. Recognition or Awards: The company has won several prestigious awards in the field of Construction and Real Estate. The details of the same are covered in Directors Report.

4. Job Profile and Suitability:

Mr. Siddharth Vasudevan Moorthy Managing Director of the Company has 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 is responsible for overall management of the Company.

5. The details of the remuneration proposed are given in this explanatory statements.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to country of his origin): The executive remuneration in the Industry has increased manifold. The Nomination and Remuneration Committee of Directors of the Company constituted by the Board in terms of the Act and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 perused remuneration of managerial persons prevalent in the Industry and other companies of comparable size of the Company, Industry Benchmarks in general, profile and responsibilities of aforesaid managerial personnel and other relevant factors while determining their remuneration at the time of his appointment.

7. Pecuniary Relationship directly or indirectly with the Company or relationship with the managerial personnel if any: Mr. Siddharth Vasudevan Moorthy is the promoter and Executive Director of the Company. Mr. Siddharth Vasudevan Moorthy is the brother of Mrs. Sowmya Aditya Iyer,Non-Executive Director and son of Mr. Vasudevan Ramamoorthy Promoter of the Company. Apart from this, he is not related to any other Director and Key Managerial Personnel of the Company as defined under the Act.

III. Other information:

1. Reasons of loss or inadequate profits: Mr. Siddharth Vasudevan Moorthy was given the remuneration within the prescribed limits but due to Global Pandemic Covid-19 coupled with rise in costs on account of various external factors, net profit of the Company witnessed decline resulting in the profits of the Company being inadequate for the payment of the remuneration payable to Mr. Siddharth Vasudevan Moorthy, Managing Director as per his terms of appointment.
2. Steps taken or proposed to be taken for improvement: Various steps has been taken by the Company for improving liquidity eg. number of EPC contracts, new projects launched under Real Estate Regulatory Authority.
3. Expected increase in productivity and profits in measurable terms: Though facing industry challenges, the Company expects to grow its revenue and profitability in coming few years.

IV. Disclosures: The following disclosures are covered under the Corporate Governance Report attached to the financial statement:

a. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.of all the directors:

b. Details of fixed component and performance linked incentives along with the performance criteria.

c. Service contracts, notice period, severance fees.

d. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Vasudevan Ramamoorthy, Mr. Siddharth Vasudevan Moorthy and Mrs. Sowmya Aditya Iyer are concerned or interested or otherwise in the resolution as set out in Item no 5 of the Notice.

The Board commends in the Special Resolution set out at Item no 5 of the Notice for approval by the Members.

ITEM NO 6

In line with the nature of business of the Company which may require investment in the form of Joint Ventures, Subsidiaries or which may require giving of guarantees on behalf of Company's subsidiaries/associates/Joint Ventures and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make investment in other bodies corporate or grant loans, give guarantee or provide security to other persons or other body corporate as and when required. Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

While the Company's present limits as determined under Section 186 of the Companies Act, 2013 allows it to make investments/ grant loan/provide guarantees upto ₹ 587.61 crores, considering the future growth, it is considered appropriate to seek approval for an enabling resolution from shareholders upto a limit of ₹ 1000 crores.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of ₹ One Thousand Crores (₹ 1000 Crores), as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.6 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 6 of the accompanying notice. The Board recommends the resolution at Item no.6 to be passed as Special Resolution

By order of the Board of Directors

Sd/-
Vibhuti Darshin Dani
Company Secretary and Compliance Officer

Registered and Corporate Office
Vascon Weikfield Chambers,
Behind Hotel Novotel, Opposite Hyatt Hotel
Nagar Road, Pune-411014.
Tel: +91 (20) 30562 100/ 200
Fax: +91 +91 20 30562600.

Place: Pune
Date: August 02, 2022

To,
KFin Technologies Limited
Unit: Vascon Engineers Limited
Selenium Building, Tower B, Plot No. 31-32, Gachibowli,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500 032.

Updation of Shareholder Information FOR PHYSICAL HOLDINGS

I/ We request you to record the following information against my/our Folio No.: General Information: Folio No.

Name of the sole/first Shareholder	
Father's/Mother's/Spouse's Name	
Address (Registered Office address in case Member is a Body Corporate)	
E-mail ID	
PAN*	
CIN/Registration No.* (applicable to Corporate Shareholders)	
Occupation	
Residential Status	
Nationality	
In case member is a minor, name of the guardian	
Tel No. with STD Code	
Mobile No	

**Self attested copy of the document(s) enclosed*

Bank Details

IFSC: (11 digit)	
MICR: (9 digit)	
Bank A/c Type	
Bank A/c No**	
Name of the Bank	
Bank Branch address	

**A blank cancelled cheque is enclosed to enable verification of bank details

I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

Signature of the Sole/First Holder

Encl:

Notes:

a. Scanned copy of the above form, duly completed along with the necessary documents, can also be sent to us on the following e-mail IDs : v-raju.sv@kfintech.com or compliance.officer@vascon.com

b. Members holding Shares in demat form are requested to submit the updation form to their respective Depository Participant.