

30<sup>th</sup> May, 2023

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

**Security ID: MODULEX**

**Scrip Code: 504273**

**Sub: Outcome of the Board Meeting held on Tuesday, 30<sup>th</sup> May, 2023**

Dear Sir/Madam,

In reference to the earlier communication dated 24<sup>th</sup> May, 2023 and pursuant to the provisions of Regulation 30 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company at its meeting held on Tuesday, i.e. 30<sup>th</sup> May, 2023, through video conferencing has inter-alia considered and approved the following business items:

1. Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2023. We are also enclosing herewith a copy of the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31<sup>st</sup> March, 2023 as approved by the Board of Directors and a copy of the Auditors' Report thereon.

The meeting of the Board of Directors of the Company commenced at 01.06 P.M.IST and concluded at 01.20 P.M IST.

You are requested to kindly take the same on records.

Yours faithfully,

For Modulex Construction Technologies Limited

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Bhoomi Mewada  
Company Secretary and Compliance Officer

Encl: As above

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
MODULEX CONSTRUCTION TECHNOLOGIES LIMITED**

**Opinion**

We have audited the accompanying Statement of Standalone Financial Results (the "Statement") of **Modulex Construction Technologies Limited** (the "Company"), for the year ended March 31, 2023, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations and gives a true and fair view in conformity with the recognition and measurement principles laid down in applicable Indian Accounting Standards and other accounting principles generally accepted in India of the Net loss and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) 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 Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



## Material Uncertainty related to Going Concern

We draw attention to Note No. 10 in the standalone financial result, which states that the Company has incurred a net loss before Other Comprehensive Income in the current year and in the previous year. The Company's current assets as on the date of the balance sheet are not sufficient to meet its current liabilities. The Company is implementing the project at Pune through its subsidiary company (Modulex Modular Buildings Private Limited) and the progress of the project is slow considering the various factors (including the temporary suspension of project). There is material uncertainty related to the aforementioned conditions read with point (6) of the Emphasis of Matters paragraph of the independent auditor's report that may cast significant doubt on the Company continuing as a going concern. Further, we are informed that the promoters/shareholders are committed to give financial support as and when required by the Company, the management expects an improvement in the performance of the Company in the long run and the management is also committed to complete the project at Pune through subsidiary company. Considering this, in the opinion of management, the Financial Statements are prepared on the going concern basis. Our opinion is not modified in respect of this matter.

## Emphasis of Matter

- 1) As stated in note 6(a) of the Statement, in the previous year 2021-22, the Company received a whistleblower complaint from one of the person (hereinafter referred to as "the complainant"). The Complainant was an independent director of the Company till 6th March 2023. The Complaint was filed with respect to the conduct of the board meeting held for approval of the right issue of equity shares. Based on the complaint, said matter was raised by the statutory auditor to the audit committee and the statutory auditor had also submitted its report to the Central Government in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. The Company has appointed an independent third party to investigate the complaint. Based on the investigation report submitted by the third party which is also approved by the audit committee in a meeting held on 2nd September 2022, allegations made in the said whistleblower complaint are found baseless.

Further, in the year, the Company has received an additional 2 whistleblower complaints from the above complainant. The Audit Committee has rebutted the allegation levelled by the Complainant and has suggested to take the appropriate legal action against the complainant by referring these entire matters to the board of directors for further actions. The board of directors is exploring the best feasible option to close the matter.

- 2) As stated in note 6 (b) of the Statement, during the previous year 2021-22, the Company had made an Investment in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) which were approved by the board of directors of the Company, however, the shareholder's approval for the same was not obtained as per the requirement of Section 186 of the Companies Act 2013. The Company has obtained prospective approval from shareholders u/s 186 of the Act for making any investments upto Rs. 40,000 lakhs in the current year.



- 3) Reference is invited to Note 5 of the Statement which states that in the opinion of the management, the Company is not required to obtain registration as a Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as the principal business in future and revenue of the Company is affected mainly due to delay in implementing the project by the subsidiary company. However, the Company is taking necessary steps to generate revenue from non-financial assets. This opinion is also confirmed by the consultant of the Company and we have relied on the same.
- 4) As stated in Note 6(c) of the Statement, the Company has not maintained video recordings of certain board and other committee meetings which are held virtually for the previous year ended 31<sup>st</sup> March 2022 as per the requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes and other committee minutes of meetings have been maintained by the Company and we have relied on the same for our audit.
- 5) As stated in Note 9 of the Statement, one of the independent director of the Company has resigned w.e.f 7th March 2023 and he has levelled certain allegations against the Company / certain employees & directors of the Company. Based on the said letter, the Company has received an email from the Bombay Stock Exchange to submit its reply. The Company has rebutted the allegation levelled by the said independent director. The Company has replied to the email received from the Bombay Stock Exchange and also uploaded it on the website of the stock exchange.
- 6) As stated in Note 4 of the Statement, the Company has carried out the fair value of investments in the subsidiary company (Modulex Modular Buildings Private Limited [MMBPL]) from the two valuers as on 31<sup>st</sup> March 2023 which is sufficient to cover the cost of investments. Considering the same and considering the management outlook for improvement in the performance of the Subsidiary Company (MMBPL) in the long run, in the opinion of management, no impairment is required for investment value in the Subsidiary Company (MMBPL), since the management is committed to complete the construction of the project. We have relied on the said valuation reports and information & explanation given by the management.

Our opinion is not modified in respect of above matters. The above matters except point 5 & 6 were reported in the independent auditor's report of the previous year ended 31<sup>st</sup> March 2022 and in the quarter and nine months ended 31<sup>st</sup> December 2022. Our opinion was not modified in respect of these matters in the previous year and in the limited review report of the quarter and nine months ended 31<sup>st</sup> December 2022.



## **Management's Responsibilities for the Standalone Financial Results**

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Statement for the year ended March 31, 2022. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with the relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company,

## **Auditor's Responsibilities for the Audit of the Statement**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

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



- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structures and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Statement of the Company to express an opinion on the Statement.

Materiality is the magnitude of misstatements in the Statement that, individually or in the aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Results.



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 complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matter:**

Figures reported for the quarter ended 31<sup>st</sup> March 2023 are the balancing figures between the audited figures in respect of the full financial year ended 31<sup>st</sup> March 2023 and un-audited year to date figures published up to 31<sup>st</sup> December 2022. Our opinion is not modified in respect of this matter.

**For RMJ & Associates LLP**  
**Chartered Accountants**  
Firm Registration No: W100281

**Rakesh Upadhyaya**  
**Partner**  
Membership No. 046271



**UDIN No.:** 23046271BRXMBE6315

Place: Mumbai  
Date: 30<sup>th</sup> May, 2023

**Statement of Audited Standalone Financial Results for the quarter ended and year ended March 31, 2023**

(Rupees in Lakhs)

Sr. No.	Particulars	Standalone Financial Results				
		Quarter Ended			Year Ended	
		March 31, 2023 (Audited) Refer Note 11	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited) Refer Note 11	March 31, 2022 (Audited)
I	<b>Income</b>					
	Revenue from operations			-		-
	Other income	3.79	2.36	17.51	20.12	27.37
	<b>Total income</b>	<b>3.79</b>	<b>2.36</b>	<b>17.51</b>	<b>20.12</b>	<b>27.37</b>
II	<b>Expenses</b>					
	Employee benefits expense	3.09	3.09	3.00	17.34	12.10
	Finance costs	14.11	13.00	11.03	50.59	40.40
	Depreciation and amortisation expenses	0.00	0.01	0.01	0.02	0.05
	Other expenses	14.68	10.81	18.23	68.65	32.90
	Legal and Professional Expenses	18.91	16.06	5.00	40.37	19.84
	<b>Total expenses</b>	<b>50.79</b>	<b>42.97</b>	<b>37.27</b>	<b>176.97</b>	<b>106.29</b>
III	<b>Profit / (Loss) before tax (I-II)</b>	<b>(47.00)</b>	<b>(40.61)</b>	<b>(19.76)</b>	<b>(156.85)</b>	<b>(77.92)</b>
IV	<b>Tax expenses</b>					
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
	Short / (Excess) Tax provision of earlier years *	-	-	0.00	0.00	1.48
V	<b>Profit / (Loss) after tax (III-IV)</b>	<b>(47.00)</b>	<b>(40.61)</b>	<b>(19.76)</b>	<b>(156.86)</b>	<b>(79.40)</b>
VI	<b>Other comprehensive income / (loss)</b>					
	Items that will not be reclassified to profit or loss	-	-	-	-	-
	Items that will be reclassified to profit or loss	-	-	-	-	-
	<b>Total comprehensive profit/(loss) net of tax (V+VI)</b>	<b>(47.00)</b>	<b>(40.61)</b>	<b>(19.76)</b>	<b>(156.86)</b>	<b>(79.40)</b>
VIII	<b>Paid-up equity share capital</b> (face value of Rs. 10/- each)	<b>5130.30</b>	<b>5130.30</b>	<b>5130.30</b>	<b>5130.30</b>	<b>5130.30</b>
IX	<b>Other Equity (excluding Revaluation Reserves)</b>		-	-	<b>27886.60</b>	<b>0.28</b>
X	<b>Earnings per share (EPS) (not annualised)</b>					
	(a) Basic (in Rs.)	<b>(0.09)</b>	<b>(0.08)</b>	<b>(0.04)</b>	<b>(0.31)</b>	<b>(0.15)</b>
	(b) Diluted (in Rs.)	<b>(0.09)</b>	<b>(0.08)</b>	<b>(0.04)</b>	<b>(0.31)</b>	<b>(0.15)</b>

**NOTES:**

- The above financial results have been reviewed and it is recommended by the Audit Committee of the Board which is approved by the Board of Directors at their meeting held on 30th May, 2023. The statutory auditors have carried out the review of these results.
- The above results have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as notified in the Companies (Indian Accounting Standards) Rules 2015 (as amended), specified under section 133 of the Companies Act, 2013.
- There are no reportable segments under Ind AS-108 "Operating Segments" as all the activities relate to only one segment i.e. civil construction. Further the management of the Company is also reviewing the results / operations of the Company as single segment i.e. civil construction.
- The fair value of investments in the subsidiary company (Modulex Modular Buildings Private Limited (MMBPL)) carried out by the two independent valuers as on 31st March 2023 is sufficient to cover the cost of investments. The valuers have also considered effect of the slow progress of project (including temporary suspension of project) by subsidiary company. Considering the management outlook for improvement in the performance of the Subsidiary Company (MMBPL) in the long run and in the opinion of management, no impairment is required for investment value in the Subsidiary Company (MMBPL) since it is committed to complete the construction of the project.
- In the opinion of the management, the Company is not required to obtain registration as Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as principal business in future and revenue of the Company is mainly affected due to delay in implementing the project by the subsidiary company. Further, the Company is taking necessary steps to generate revenue from non-financial assets. This is also confirmed by the consultant of the Company.
- a) In the FY 2021-22, the Company had received a whistleblower complaint from one of the person (hereinafter referred to as "the complainant"). The Complainant was an independent director of the Company till 6th March 2023 (Refer Note 9). The Complaint was filed with respect to the conduct of the board meeting held for approval of the right issue of equity shares. Based on the complaint, said matter was raised by the statutory auditor to the audit committee and the statutory auditor had also submitted its report to the Central Government in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. The Company has appointed an independent third party to investigate the complaint. Based on the investigation report submitted by the third party which is also approved by the audit committee in a meeting held on 2nd September 2022, allegations made in the said whistleblower complaint are found baseless.  
  
Further, during the year, the Company has received an additional 2 whistleblower complaints from the above complainant. The Audit Committee has rebutted the allegation levelled by the Complainant and has suggested to take the appropriate legal action against the complainant by referring these entire matters to the board of directors for further actions. The board of directors is exploring the best feasible option to close the matter.  
  
b) In FY 2021-22, the Company had made an Investment in Compulsory Convertible Debentures of Give Window & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) which was approved by the board of directors of the Company, however, the shareholders approval for the same was not obtained as per the requirement of Section 186 of the Companies Act 2013. The Company has obtained prospective approval from shareholders u/s 186 of the Act for making any investments upto Rs. 40,000 lakhs in the current year.  
  
c) The Company has not maintained the video recordings of certain minutes of the board and other committees meetings which are held virtually till 31st March 2022 as per the requirement of Section 108 of the Companies Act 2013 due to technical glitches. However, signed physical board minutes and other committee minutes of the meeting have been maintained by the Company.



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MODULEX CONSTRUCTION TECHNOLOGIES LIMITED

CIN - L25999PN1973PLC182679

Regd. Office : A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 413132

Statement of Audited Standalone Financial Results for the quarter ended and year ended March 31, 2023

- 7 In the current year, the board of directors in its meeting held on 9th November, 2022 approved for issue and allotment of not more than 1,81,06,576 equity shares of the Company on a preferential basis via swap against the equity shares of Give Vinduet Windows and Doors Private Limited in the ratio of 1:1.345. Further, shareholders have given approval for the issue of 1,78,98,746 equity shares on a preferential basis via swap ratio of 1:1.353 through a postal ballot which commenced on 14th November 2022 and ended on 13th December 2022. Subsequent to the year ended 31st March 2023, final in principle approval is received from the Bombay Stock Exchange is received for 1,78,98,746 equity shares of Rs 10 each to be issued at a price not less than Rs 13.53 to the persons other than cash on the preferential basis pursuant to share swap basis. As a result, no impact has been given in the standalone standalone results for the year ended 31st March 2023.
- 8 In the current year, the Company increased its authorised share capital by Rs 2,000 lakhs (which comprises 20,000,000 equity shares with the face value of Rs 10 each). The Company has incurred Rs 19 lakhs with respect to transaction costs pertaining to fees and duty payable on an increase in authorized share capital. As per the relevant Ind AS, the said transaction costs is recognised and disclosed under "Other Equity".
- 9 One of the independent director of the Company as mentioned in Note 6(a) has resigned w.e.f. 7th March 2023 and he has levelled certain allegations against the Company / certain employees & directors of the Company. Based on the said letter, the Company has received an email from the Bombay Stock Exchange to submit its reply. The Company has rebutted the allegation levelled by the said independent director. The Company has replied to the email received from the Bombay Stock Exchange and also uploaded it on the website of the stock exchange.
- 10 The Company has incurred a net loss (before other Comprehensive Income) in the current year and in the previous year. The Company's current assets are not sufficient to meet its current liabilities. The Company is implementing project at Pune through its subsidiary company (Modulex Modular Buildings Private Limited) and progress of project is slow considering the various factors (including the temporary suspension of project). There is material uncertainty related to the aforementioned conditions that may cast significant doubt on the Company continuing as a going concern. The management is expecting an improvement in the performance of the Company in the long run and the management is also committed to complete the project at Pune through its subsidiary company. Considering these and considering that the promoters are committed to give financial support as and when required by the Company, in the opinion of management, the Standalone financial results are prepared on the going concern basis.
- 11 Figures reported for quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year ended March 31, 2023 and un-audited year to date figures published upto 31st December 2022.
- 12 The figures of the previous period(s) have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors of  
Modulex Construction Technologies Limited

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Ajay Palekar  
Managing Director  
DIN:02708940



Place: Pune  
Date: 30th May, 2023

MODULEX CONSTRUCTION TECHNOLOGIES LIMITED

CIN - L25999PN1973PLC182679

Regd. Office : A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 413132

Audited Standalone Statement of Assets and Liabilities as at March 31, 2023

(Rupees in Lakhs)

Sr. No.	Particulars	As at	As at
		March 31, 2023 (Audited)	March 31, 2022 (Audited)
I	<b>ASSETS</b>		
	<b>Non-current assets</b>		
	Property, plant and equipment	0.01	0.03
	<u>Financial assets:</u>		
	Investments	33618.87	33634.89
	Deferred tax assets (net)	-	-
	Other non-current assets	36.39	26.04
		<b>33655.27</b>	<b>33660.96</b>
	<b>Current assets</b>		
	<u>Financial assets:</u>		
	Cash and cash equivalents	0.20	0.73
	Bank balances other than cash & cash equivalents	-	5.00
	Other financial assets	2.03	4.12
	Other current assets	1.01	0.48
		<b>3.24</b>	<b>10.32</b>
	<b>Total</b>	<b>33658.51</b>	<b>33671.28</b>
II	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	5130.30	5130.30
	Other equity	27886.60	28062.46
		<b>33016.91</b>	<b>33192.76</b>
	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	<u>Financial liabilities:</u>		
	Borrowings	22.20	60.55
	Other non current financial liabilities	-	2.32
		<b>22.20</b>	<b>62.87</b>
	<b>Current Liabilities</b>		
	<u>Financial liabilities:</u>		
	Borrowings	427.72	299.81
	Trade payables		
	Payable to micro enterprises and small enterprises	6.93	5.50
	Payable to others	31.82	21.16
	Other current financial liabilities	110.99	69.47
	Other current liabilities	41.95	19.71
		<b>619.40</b>	<b>415.65</b>
	<b>Total</b>	<b>33658.51</b>	<b>33671.28</b>



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MODULEX CONSTRUCTION TECHNOLOGIES LIMITED

CIN - L25999PN1973PLC182679

Regd. Office : A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 413132

Statement of Audited Standalone Cash Flow for the year ended March 31, 2023

(Rupees in Lakhs)

Sr. No.	Particulars	Year Ended	
		March 31, 2023	March 31, 2022
		(Audited)	(Audited)
A)	<b>Cash Flow from Operating Activities :</b>		
	Net (Loss) before tax	(156.85)	(77.92)
	<u>Adjustments for Non-Cash and Non-Operating Items :</u>		
	Interest income on deposit, investment and income tax refund	(9.29)	(6.79)
	Depreciation	0.02	0.05
	(Gain) /Loss on financial instruments at fair value through profit and loss	16.02	(15.18)
	Liabilities no longer required written back	(10.83)	(5.40)
	Finance Cost	50.59	40.40
	<b>Operating Profit before Working Capital Charges</b>	<b>(110.35)</b>	<b>(64.84)</b>
	<b>Adjustment for:</b>		
	(Increase) / Decrease in current and non current assets	(13.21)	0.01
	Increase / (Decrease) in current and non current liabilities	37.59	2.57
	<b>Cash generated from Operations</b>	<b>(85.96)</b>	<b>(62.26)</b>
	Income Tax paid (Net of Refund)	(2.32)	-
	<b>Net Cash Flow (used in) Operating Activities</b>	<b>(A) (83.64)</b>	<b>(62.26)</b>
B)	<b>Cash Flow from Investing Activities:</b>		
	Interest Received on Fixed Deposit and debentures	0.29	0.45
	Interest Received on Compulsory Convertible Debenture	11.09	2.30
	Maturity Proceeds from Fixed Deposits	5.00	-
	Investment in 15% Compulsory Convertible Debentures	-	(60.00)
	<b>Net Cash (used in) / generated from Investing Activities</b>	<b>(B) 16.38</b>	<b>(57.25)</b>
C)	<b>Cash Flow from Financing Activities:</b>		
	Proceeds from unsecured loan from subsidiary	104.21	119.67
	Repayment of unsecured loan from subsidiary	(1.80)	-
	Interest Paid	(3.83)	(0.03)
	Transaction cost for increase in authorised share capital	(19.00)	-
	Repayment of Loan from related Party	(12.85)	-
	<b>Net Cash generated from financing Activities</b>	<b>(C) 66.73</b>	<b>119.64</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(0.53)</b>	<b>0.13</b>
	<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet</b>		
	Opening Balance	0.73	0.60
	Closing Balance	0.20	0.73
	<b>Net Increase/ (Decrease) in cash and cash equivalents</b>	<b>(0.53)</b>	<b>0.13</b>



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**DECLARATION ON UNMODIFIED OPINION – STANDALONE FINANCIAL RESULTS**

(Pursuant to the second proviso to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In compliance with the provision of Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that, M/s RMJ & Associates, Chartered Accountants (ICAI Firm Registration No. W100281) Statutory Auditor of the Company has issued Audit Report with unmodified opinion on Annual Audited Standalone Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2023, which has been approved at the Board Meeting held today i.e 30<sup>th</sup> May, 2023.

For Modulex Construction Technologies Limited

**MAHENDR** Digitally signed  
by MAHENDRA  
**A KUMAR** KUMAR BHURAT  
**BHURAT** Date: 2023.05.30  
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Mahendra Kumar Bhurat  
Chief Financial Officer

Place: Mumbai  
Date: 30<sup>th</sup> May, 2023

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
MODULEX CONSTRUCTION TECHNOLOGIES LIMITED**

**Opinion**

We have audited the accompanying Statement of Consolidated Financial Results (the "Statement") of **MODULEX CONSTRUCTION TECHNOLOGIES LIMITED** (the "Company" or "the Holding Company") and its subsidiaries (the Company and its subsidiaries, associate together referred to as the "Group"), for the year ended March 31, 2023, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid statement:

- (i) includes the audited results of the following subsidiaries and associate;
  - a) Modulex Modular Building Private Limited (Subsidiary)
  - b) Redribbon Advisory Services Private Limited (Sub-subsidiary till 15<sup>th</sup> May 2022 and Associate from 16<sup>th</sup> May 2022 to 28<sup>th</sup> August 2022).
- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the consolidated net loss (its share of the net loss after tax and total comprehensive income of its subsidiary and associate) and consolidated other comprehensive income and other financial information of the Group for the year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's



Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis of our audit opinion.

#### **Material Uncertainty related to Going Concern**

We draw attention to Note 20 in the Consolidated Financial Results, which states that the Group has incurred a net loss before Other Comprehensive Income in the current year and in the previous year. The Group's current assets as on the date of the balance sheet are not sufficient to meet its current liabilities. The Group is implementing the project at Pune and as stated in note 6 & 20 of the Statement the progress of the project is slow considering the various factors (including the temporary suspension of the project). There is material uncertainty related to the aforementioned conditions read with point (5) & (12) of the Emphasis of Matters paragraph of the Independent auditor's report that may cast significant doubt on the Group continuing as a going concern. Further, we are informed that the promoters/shareholders are committed to give the financial support as and when required by the Group, the management expects an improvement in the performance of the Group in the long run and the management is also committed to complete the project at Pune. Considering this, in the opinion of management, the Statement are prepared on the going concern basis. Our opinion is not modified in respect of this matter.

#### **Emphasis of Matter**

- 1) As stated in note 3 of the Statement, in the previous year, the Holding Company had received a whistleblower complaint from one of the person (hereinafter referred to as "the complainant"). The Complainant was an independent director of the Holding Company till 6th March 2023. The Complaint was filed with respect to the conduct of the board meeting held for approval of the right issue of equity shares. Based on the complaint, the said matter was raised by the statutory auditor to the audit committee and the statutory auditor had also submitted its report to the Central Government in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014 in the current year. The Holding Company had appointed an independent third party to investigate the complaint. Based on the investigation report submitted by the third party which is also approved by the audit committee in a meeting held on 2nd September 2022, allegations made in the said whistleblower complaint were found baseless.

Further, during the year, the Holding Company has received an additional 2 whistleblower complaints from the above complainant. The Audit Committee has rebutted the allegation levelled by the Complainant and has suggested by taking the appropriate legal action against the complainant by referring these entire matters to the board of directors of the Holding Company for further actions. The board of directors of the Holding Company is exploring the best feasible option to close the matter.



- 2) As stated in note 4 of the Statement, in the previous year, the Holding Company had made an Investment in Compulsory Convertible Debentures of Give Vinduet Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) which was approved by the board of directors of the Holding Company, however, the shareholders approval for the same was not obtained as per the requirement of Section 186 of the Act. During the current year, the Holding Company has obtained prospective approval from shareholders u/s 186 of the Act for making any investments upto Rs. 40,000 lakhs.
- 3) Reference is invited to Note 5 of the Statement which states that in the opinion of the management, the Holding Company is not required to obtain registration as a Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities and nor proposing to carrying on financial activities as a principal business in future and revenue of the Holding Company is affected mainly due to delay in implementing the project by the subsidiary company. However, the Holding Company is taking necessary steps to generate revenue from non-financial assets. This opinion is also confirmed by the consultant of the Holding Company and we have relied on the same.
- 4) As stated in Note 19 of the Statement, one of the independent director of the Holding Company has resigned w.e.f 7th March 2023 and he has levelled certain allegations against the Holding Company / certain employees & directors of the Holding Company. Based on the said letter, the Holding Company has received an email from the Bombay Stock Exchange to submit its reply. The Holding Company has rebutted the allegation levelled by the said independent director. The Holding Company has replied to the email received from the Bombay Stock Exchange and also uploaded it on the website of the stock exchange.
- 5) As stated in Note 6 of the Statement, there is a delay in the construction of the project by the subsidiary company [Modulex Modular Building Private Limited (MMBPL)] for the reason stated in the said note which includes a delay in raising the fund & non-receipt of extension letter from MIDC. The Subsidiary Company has continued to incur losses in the current year and in the earlier years. Further, current liabilities is also greater than current assets. Considering the commitment from the shareholders / promoters to infuse the funds for the execution of the project, the expectation of management for receipt of an extension letter from MIDC for construction work as well as future business prospects of the Subsidiary Company and valuation report obtained from two valuers, in the opinion of the management, there is no impairment of property, plant and equipment and capital work in progress as on date.
- 6) Attention is invited to Note 8 of the Statement, where one of the non-executive director of the subsidiary company (MMBPL) has demanded fees of Rs. 96.33 lakhs. As mentioned in the same note, we are informed by the management that said director was brought on board on the mutual understanding that fees will be accrued / payable on achieving financial closure of the project and since financial closure is not achieved as on 31<sup>st</sup> March 2022, the fees is not payable to the said director. However, in the current year, the Subsidiary Company has paid Rs. 47.18 lakhs as expended goodwill for which provision was made in the books as on 31<sup>st</sup> March 2022 and the balance amount of Rs. 49.33 lakhs was treated as contingent liabilities in the previous year pending the outcome final dispute/settlement.



Further, we are informed by the management that the additional liability of Rs. 12 lakhs for the current year is also not payable as per the mutual understanding stated above and hence, entire amount of Rs. 61.33 lakhs (including liability of Rs. 12 lakhs of the current year) is considered as contingent liabilities as on 31<sup>st</sup> March 2023.

- 7) We draw attention to Note 9 of the Statement, regarding excess managerial remuneration to directors of the subsidiary company (MMBPL) aggregating Rs. 116 lakhs for FY 20-21, Rs. 117.25 lakhs for FY 21-22 and Rs 57.18 lakhs for the current year. In the current year, the Board of directors and shareholders have approved the excess remuneration payable to directors for FY 20-21, FY 21-22 and also waived recovery of said excess managerial remuneration. In the current year, the subsidiary company has formed the nomination and remuneration committee and the excess managerial remunerations for FY 20-21, FY 21-22 & for the current year have been approved by the nomination and remuneration committee.

Current year approval for excess managerial remuneration by the Board of directors and shareholders is short by Rs. 2.69 lakhs and we are informed by the management that it will take necessary action for the same in next financial year (which is in line with the requirement of Section 197 of the Act).

- 8) As stated on Note 10(a) of the Statement, unsecured loans given by MMBPL (subsidiary company) to the holding company and RRASPL [Redribbon Advisory Services Private Limited] (subsidiary company) are approved by the board of directors of MMBPL, however, shareholders approval for the same was not obtained by MMBPL as per the requirement of Section 185 & 186 of the Act in FY 2021-22 and the same is approved by the shareholders of MMBPL in the current year. Further, as stated in note 10 (a) of the Statement, in respect of loan given by the MMBPL to the Company in which the director was having control was not approved by the board of directors and shareholders of the MMBPL as per the requirement of Section 185 & 186 of the Act in FY 2021-22, however, the same is approved by the board of directors and shareholders of MMBPL in the current year.
- 9) As stated in Note 10(b) of the Statement, loan taken by Redribbon Advisory Services Private Limited (RRASPL) (subsidiary company) from Modulex Modular Buildings Private Limited (MMBPL) (subsidiary company), director and relative of directors were approved by the board of directors, however, shareholders' approval for the same u/s 180 of the Act was not taken by the RRASPL in FY 2021-22 and shareholders approval for the same is taken in the current year.
- 10) As stated in note 11 of the Statement, the holding company has not maintained video recordings of the certain board meetings and audit committee meetings which are held virtually for the previous year 2021-22 as per the requirement of Section 108 of the Companies Act 2013. We are informed by the management that it is due to technical glitches. However, signed physical board minutes and audit committee minutes of meetings have been maintained by the holding company and we have relied on the same for our audit.
- 11) As stated in Note 18 of the Statement, the subsidiary company (MMBPL) has paid an advance of Rs. 143.33 lakhs to Credit Express Financial Services till 31<sup>st</sup> March 2023. As per the agreement, the vendor would be able to charge the subsidiary company on completion of services. Even though the rendering of the service by the vendor is still in process, as a matter of abundant caution, the subsidiary company has made provision for professional services of Rs. 128.33 lakhs (to the extent





of the advance paid to the vendor) towards service rendered by the consultant but billable at the time of completion of services in the previous quarter and provision for professional services of Rs. 15 lakhs has been made in the current quarter.

- 12) As stated in Note 15 of the Statement, the management has carried out the fair value of investments in the subsidiary company (Modulex Modular Buildings Private Limited [MMBPL]) from the two valuers as on 31st March 2023 which is sufficient to cover the goodwill of Rs. 25,731.19 lakhs arising due to investment in the said subsidiary company. Considering the same and considering the management outlook for improvement in the performance of the Subsidiary Company (MMBPL) in the long run, in the opinion of management, no impairment is required for goodwill, since the management is committed to complete the construction of the project. We have relied on the said valuation reports and information & explanation given by the management.

Our opinion is not modified in respect of the above matters. All the above matters were reported in the previous quarter and our opinion were not modified in respect of the said matters. All the above points except point (11) & (12) were reported in the previous financial year and our opinion was not qualified in respect of said matters. All the above points except point (12) were reported in the previous quarter and our opinion was not qualified in respect of said matters.

#### **Management Responsibilities for the Statement**

This Statement which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been compiled from the audited consolidated financial statements.

The Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the consolidated net loss and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Boards of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 respective Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Statement by the Directors of the Company, as aforesaid.



In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Statement**

Our objectives are to obtain reasonable assurance about whether the Statement 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 SA's 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 this Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design the audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the group has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.



- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 Statement.

We communicate with those charged with governance of the Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular No CIR/CFD/CMDI/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.



**Other Matter:**

Figures reported for the quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the un-audited year to date figures published upto 31<sup>st</sup> December 2022. Our opinion is not modified in respect of this matter.

**For RMJ & Associates LLP**

Chartered Accountants

Firm Registration No: W100281

**Rakesh Upadhyaya**

Partner

Membership No.: 046271.



**UDIN No.:** 23046271B2XMBD1932

Place: Mumbai.

Date: 30<sup>th</sup> May 2023

(Rupees in Lakhs)

Sr. No.	Particulars	Consolidated Financial Results				
		Quarter Ended			Year Ended	
		March 31, 2023 (Audited) Refer Note 22	December 31, 2022 (Unaudited)	March 31, 2022 (Audited)	March 31, 2023 (Audited) Refer Note 22	March 31, 2022 (Audited)
I	<b>Income from operations</b>					
	Income from operations	-	-	-	-	-
	Other income	8.79	9.16	17.21	19.59	30.16
	<b>Total income from operations</b>	<b>8.79</b>	<b>9.16</b>	<b>17.21</b>	<b>19.59</b>	<b>30.16</b>
II	<b>Expenses</b>					
	Employee benefits expense	50.26	54.53	46.45	242.34	225.23
	Finance costs	74.15	74.38	65.20	284.72	286.98
	Depreciation and amortisation expenses	2.46	2.46	5.58	9.84	14.24
	Other expenses	45.96	39.77	55.53	201.52	180.57
	Legal and Professional Expenses	38.41	52.13	67.36	281.84	127.99
	<b>Total expenses</b>	<b>211.74</b>	<b>223.85</b>	<b>240.69</b>	<b>1,020.06</b>	<b>835.53</b>
III	(Loss) before share in (Loss) of Associate, exceptional item and tax (I-II)	(202.96)	(214.69)	(223.48)	(999.47)	(805.35)
IV	Share in (Loss) of Associate	-	-	-	(1.79)	-
V	(Loss) before exceptional items and tax (III-IV)	(202.96)	(214.69)	(223.48)	(997.68)	(805.35)
VI	Exceptional item (Refer Note 14)	-	-	-	88.34	-
VII	(Loss) before tax (V-VI)	(202.96)	(214.69)	(223.48)	(909.34)	(805.35)
VIII	<b>Tax expenses</b>					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	-	-	-
	Short / (Excess) Tax provision of earlier years	-	-	2.34	0.30	1.93
IX	<b>Profit / (Loss) after tax (III-VIII)</b>	<b>(202.96)</b>	<b>(214.69)</b>	<b>(225.55)</b>	<b>(909.02)</b>	<b>(809.28)</b>
X	<b>Other comprehensive income / (loss) net of tax</b>					
	Items that will not be reclassified to profit or loss					
	Share in other comprehensive loss of Associate	-	-	-	11.66	-
	Remeasurement of the defined benefit plans (Net)	(7.77)	-	(1.41)	(7.27)	1.41
	Items that will be reclassified to profit or loss	-	-	-	-	-
XI	<b>Total comprehensive profit/(loss) net of tax (V+IX)</b>	<b>(195.69)</b>	<b>(214.69)</b>	<b>(226.56)</b>	<b>(907.41)</b>	<b>(810.69)</b>
	<b>Profit / (Loss) for the period attributable to:</b>					
	Owners of the Group	(202.68)	(214.19)	(222.74)	(902.98)	(804.52)
	Non-Controlling interests	(0.28)	(0.29)	(2.83)	(1.24)	(1.76)
	<b>Other Comprehensive Income for the period attributable to:</b>					
	Owners of the Group	7.29	-	5.09	(4.20)	(5.29)
	Non-Controlling interests *	(0.01)	-	(6.50)	0.01	3.84
	<b>Total Comprehensive Income for the period attributable to:</b>					
	Owners of the Group	(195.42)	(214.19)	(217.72)	(907.18)	(809.22)
	Non-Controlling interests	(0.27)	(0.29)	(2.83)	(1.23)	(0.88)
XII	Paid up equity share capital (face value of Rs. 10/- each)	5,130.30	5,130.30	5,069.11	5,130.30	5,069.11
XIII	Other Equity (excluding Revaluation Reserves)	-	-	-	20,001.06	21,677.58
XIV	<b>Earnings per share (EPS) (not annualised)</b>					
	(a) Basic (in Rs.)	(0.49)	(0.42)	(0.44)	(1.76)	(1.60)
	(b) Diluted (in Rs.)	(0.49)	(0.42)	(0.44)	(1.76)	(1.60)

\* Figures are below thousands.

**NOTES:**

- The unaudited consolidated financial results have been reviewed as well as re-validated by the Audit Committee of the Board which is approved by the Board of Directors at their meeting held on 20th May, 2023. The statutory auditors have carried out the review of these results.
- The above results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified in the Companies (Indian Accounting Standards) Rules 2015 (as amended), specified under section 133 of the Companies Act, 2013.
- In the FY 2021-22, the Company had received a whistleblower complaint from one of the person (hereinafter referred to as "the complainant"). The complainant was an independent director of the Holding Company till 6th March 2023 (Refer Note 15). The complainant was filed with respect to the conduct of the board meeting held for approval of the right issue of equity shares. Based on the complaint, said matter was raised by the statutory auditor to the audit committee and the statutory auditor had also submitted its report to the Central Government in Form No ADT 4 as per the requirement of the Companies (Audit and Auditor) Rules, 2014. The Holding Company has appointed an independent third party to investigate the complaint. Based on the investigation report submitted by the third party which is also approved by the audit committee in a meeting held on 2nd September, 2022, allegations made in the said whistleblower complaint are found baseless.  
  
Further, during the year, the Holding Company has received an additional 2 whistleblower complaints from the above complainant. The Audit Committee has rebutted the allegations leveled by the complainant and has suggested to take the appropriate legal action against the complainant by referring these entire matters to the Board of directors for further actions. The Board of directors is exploring the best feasible option to close the matter.
- In FY 2021-22, the Holding Company had made an investment in Compulsory Convertible Debentures of Five Window Windows & Doors Private Limited aggregating to Rs. 60 lakhs (excluding fair value adjustment under Ind AS) which was approved by the board of directors of the Holding Company, however, the shareholder approval for the same was not obtained as per the requirement of Section 186 of the Companies Act 2013. The Holding Company has obtained prospective approval from shareholders via 136 of the AOT for making any investments upto Rs. 40,000 lakhs in the current year.
- The Holding Company is not required to obtain registration as a Non-Banking Financial Company (NBFC) as it is neither carrying on any financial activities nor proposing to carry on the financial activities as a principal business in the future. Further, the revenue of the Holding Company is affected mainly due to the delay in implementing the project by the Subsidiary (Modular Modular Building Private Limited (MMBP)). However, it is taking necessary steps to generate revenue from non-financial assets. This opinion is also confirmed by the consultant of the Holding Company and the auditor has relied upon this opinion.
- In respect of the subsidiary company (MMBP), due to multiple factors including delays in raising the resources from the banks and other regulatory issues resulted in the temporary suspension of construction activity at the project site at Indapur, Pune (which is taken on lease from MIDC (Maharashtra Industrial Development Corporation)).  
  
The Subsidiary Company is in discussion with a consortium of two members banks for funding the project to the extent of Rs. 8,500 lakhs. In the quarter ended 31st December, 2022, the management received sanction letters from two banks and is expecting the disbursement of the loan on the fulfillment of certain terms and conditions.  
  
Considering the continued delay in the construction of the project, the Subsidiary Company has continued to incur losses in the current period and in the earlier years / quarters and current liabilities are greater than current assets. The management is committed to complete the construction of the factory complex and accordingly shareholders are committed to provide the necessary funds to the subsidiary company as and when required. The management is expecting trial production and commercial production to be commenced in FY 2024-25.  
  
Further, the Subsidiary Company received a letter dated 12th August, 2020 from MIDC asking the subsidiary company to vacate the above project site due to a delay in construction of the work / delay in payment of premium charges. The Subsidiary Company vide letter dated 13th August, 2020 had replied to the said notice and requested more time to make payment of outstanding premium charges. Further, the Subsidiary Company vide letter dated 24th September, 2021 has requested an extension of time for construction work for additional re-allowment fees of Rs. 810 lakhs. The Subsidiary Company is confident of receipt of the extension letter from MIDC for the construction of work. The outcome of additional liability payable to MIDC (including interest for delay in payment of premium, if any) would be determined based on the decision of MIDC and pending this decision, additional liability has been considered as contingent liabilities for the quarter and year ended 31st March, 2023 (this was disclosed under contingent liabilities in the consolidated financial statements for the year ended 31st March, 2022 also). As a result, no impact has been given in the consolidated financial results for the quarter and year ended 31st March, 2023.  
  
Considering the commitment from the shareholders/promoters to continue to infuse funds for the execution of the project, the management's expectation for receipt of an extension letter from MIDC for construction work as well as the future business prospects of the subsidiary company and valuation report obtained from two valuers, in the opinion of the management there is no impairment of property, plant and equipment and capital work in progress as on date and further, the management has prepared the consolidated financial results on going concern basis.
- In respect of the Subsidiary (MMBP), GST input credit as per books is higher by Rs. 31.34 lakhs than the GST return. In the opinion of the management, the said subsidiary would be able to take said GST input credit in the return after necessary rectification / payments by the vendors. Pending this, the said amount has been recognised and disclosed under contingent liabilities in the consolidated financial statements for the year ended 31st March 2022. However, in the quarter ended September 2022, the subsidiary company has written off entire amount to expenses as the subsidiary company could not take GST input credit despite taking necessary actions.



**AJAY SHRIDHAR PALEKAR**

Digitally signed by  
AJAY SHRIDHAR  
PALEKAR  
Date: 2023.05.30  
12:41:57 +05'30'

MODULEX CONSTRUCTION TECHNOLOGIES LIMITED

CIN - L25999PN2973PLCE2873

Regd. Office: A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 411132

Statement of Audited Consolidated Financial Results for the Quarter and Year ended March 31, 2023

8 In respect of the subsidiary company (MMBPL), one of the Independent and non-executive director was brought on the board on the mutual understanding that fees will be accrued and paid out on achieving financial closure of the project. However, in FY 21-22, the said director had demanded entire fees of Rs. 96.35 lakhs payable till 31st March 2022 even though financial closure of the project was not achieved. The subsidiary company had not agreed to the said demand, however, the subsidiary company had paid Rs. 47.18 lakhs as expended goodwill in FY 21-22 for which provision was made in the books as on 31st March 2022 and for a balance amount of Rs. 49.15 lakhs was shown under contingent liabilities in the audited consolidated financial statements for the year ended 31st March 2022 pending the outcome of final dispute / settlement.

Further, the additional claim of Rs. 12 lakhs for this matter pertaining to current year is also considered as contingent liabilities as the financial closure of the project is still not achieved as on 31st March 2023. As a result, no impact has been given in the consolidated financial results for the quarter and year ended 31st March 2023.

9 The Subsidiary Company (MMBPL) has accounted the managerial remuneration of Rs. 162 lakhs for FY 2020-21, Rs. 168.35 lakhs for FY 2021-22 and Rs. 132.50 lakhs for the current year. As per Section 197 of the Companies Act 2013, there is an excess managerial remuneration aggregating to Rs. 116 lakhs in FY 2020-21, Rs. 112.25 lakhs in FY 2021-22 and Rs. 54.18 lakhs for the current year which have been booked in the Subsidiary Company's books of account. However, the Subsidiary Company has actually paid Rs. 48 lakhs in FY 2020-21, Rs. 100.52 lakhs in FY 2021-22 and Rs. 80.13 lakhs for the current year.

In the quarter ended 30th September 2022, the Board of directors and shareholders approved the excess remuneration payable to directors for FY 2020-21, FY 2021-22 and waived recovery of the said excess managerial remuneration. In the current year, the Subsidiary Company has constituted the nomination and remuneration committee and the excess managerial remunerations for FY 2020-21, FY 2021-22 & for the current year have been approved by the nomination and remuneration committee. Current year approval for excess managerial remuneration by the Board of directors and shareholders is short by Rs. 2.69 lakhs and the management will take necessary action for the same in next year (which is within the two limit) prescribed under the Companies Act, 2013.

10 (a) Unsecured loans given by Subsidiary (MMBPL) to the Holding Company and RRASPL (Redribbon Advisory Services Private Limited) are approved by the board of directors of MMBPL. However, shareholders' approval for the same was not obtained by the said subsidiary as per the requirement of Sections 185 & 186 of the Act in FY 2021-22 and for the quarter ended 30th June 2022. The same has been approved by the shareholders of MMBPL in the quarter ended 30th September 2022. Further, with respect to the loan given in FY 2021-22 by the subsidiary company (MMBPL) to the Company in which the director is having control was not approved by the board of directors and shareholders as per the requirement of section 185 & 186 of the Act, however, the same has been approved by the board of directors and shareholders of said subsidiary company in the quarter ended 30th September 2022.

(b) Unsecured loan taken by Redribbon Advisory Services Private Limited (RRASPL) (subsidiary company) from its Holding Company (MMBPL), director and relative of directors were approved by the board of directors and the loan taken in earlier year by RRASPL from the Company in which the director is having a significant interest, was approved by board of directors in the quarter ended September 2022. Further, the shareholders' approval u/s 180 of the Companies Act 2013 for these loans are not taken by the RRASPL in the financial year 2021-22. However, the shareholders' approval for the same is obtained by RRASPL in the quarter ended 30th September 2022.

11 The Holding Company and subsidiary companies (MMBPL & RRASPL) has not maintained the video recordings of certain minutes of the board and other committees meetings which are held virtually for the financial year 2021-22 as per the requirement of Section 108 of the Companies Act 2013 due to technical glitches. However, signed physical board minutes and other committee minutes of the meeting have been maintained by the Group.

12 There are no reportable segments under Ind AS-108 'Operating Segments' as all the activities relate to only one segment i.e. civil construction. Further the Group is also reviewing the results / operations as single segment i.e. civil construction.

13 In the current year, the board of directors of the holding company in its meeting held on 9th November, 2022 approved for issue and allotment of not more than 1,01,00,576 equity shares of the holding company on a preferential basis via swap against the equity shares of Give Window Windows and Doors Private Limited in the ratio of 1:1.395. Further, shareholders have given approval for the issue of 1,78,56,746 equity shares on a preferential basis via swap ratio of 1:1.353 through a postal ballot which commenced on 18th November 2022 and ended on 12th December 2022. Subsequent to the year ended 31st March 2023, final in principle approval is received from the Bombay Stock Exchange is received for 1,28,98,745 equity shares of Rs. 10 each to be issued at a price not less than Rs. 13.53 to the persons other than cash on the preferential basis pursuant to share swap basis. As a result, no impact has been given in the consolidated financial results for the year ended 31st March 2023.

14 In the financial year 2021-22, the board of directors of the subsidiary (MMBPL) in its meeting dated 18th January 2022 approved for sale of entire investments held in the Redribbon Advisory Services Private Limited (RASPL) (wholly step down subsidiary of the company) in one or more tranches at face value i.e. for aggregate consideration of Rs. 435.76 lakhs.

The subsidiary company sold 2,507,600 equity shares for aggregate consideration of Rs. 290.76 lakhs in the current year. Due to this transaction, RRASPL ceases to be subsidiary company and had become an associate company in quarter ended 30th June 2022. Further, RRASPL ceases to be associate company in quarter ended 30th September 2022. Accordingly, the gain due to loss of control (i.e. ceases to be subsidiary / associate) aggregating to Rs. 88.34 lakhs is recognised as an exceptional item in the above results.

15 The fair value of investments in the subsidiary company (Modulex Modular Buildings Private Limited) (MMBPL) carried out by the two independent valuers as on 31st March 2023 is sufficient to cover goodwill of Rs. 25,731.19 lakhs arising due to investment in the said subsidiary company. The valuers have also considered effect of the slow progress of project (caused by temporary suspension of project) by subsidiary company. Considering the management outlook for improvement in the performance of the Subsidiary Company (MMBPL) in the long run and in the opinion of management, no impairment is required for goodwill, since it is committed to complete the reconstruction of the project.

16 In the quarter ended 31st December 2022, the Subsidiary Company (MMBPL) has issued & allotted 91,000 equity shares of the face value of Rs. 10 each for aggregate consideration of Rs. 50.55 lakhs on a private placement basis to the Company in which the director is having control. In the current quarter, the Subsidiary Company (MMBPL) has received share application money aggregating to Rs. 16 lakhs for issue of equity shares on private placement basis.

17 In the current year, the holding company has increased the authorised share capital by Rs. 2,800 lakhs (which comprises 280,00,000 equity shares with face value of Rs. 10 each). The Holding Company has incurred Rs. 19 lakhs with respect to transaction cost pertaining to fees and duty payable on such increase in authorised capital. The said transaction cost is recognised and disclosed under "Other Equity".

18 The Subsidiary Company has paid an advance of Rs. 128.33 lakhs to Credit Express Financial services for the new month ended 31st December 2022 and additional Rs. 35 lakhs has been in the current period. As per the agreement, the vendor would be able to charge the Subsidiary Company on completion of services. Even though the rendering of the service by the vendor is still in progress, as a matter of abundant caution, the Subsidiary Company has made provision for professional services of Rs. 128.33 lakhs (to the extent of the advance paid to the vendor) towards service rendered by the consultant but billable at the time of completion of services in quarter ended December 2022 and provision for professional services of Rs. 15 lakhs is made in the current quarter.

19 One of the independent director of the Holding Company as mentioned in Note 8 has resigned on 7th March 2023 and he has levelled certain allegations against the Holding Company / certain employees & directors of the Holding Company. Based on the said letter, the Holding Company has received an email from the Bombay Stock Exchange to submit its reply. The Holding Company has rebutted the allegation levelled by the said independent director. The Holding Company has replied to the email received from the Bombay Stock Exchange and also uploaded it on the website of the stock exchange.

20 The Group has incurred a net loss (before other Comprehensive Income) in the current year and in the previous year. The Group's current assets are not sufficient to meet its current liabilities. The Group is implementing project at Pune through its subsidiary company (Modulex Modular Buildings Private Limited) and progress of project is slow considering the various factors (including the temporary suspension of project). There is material uncertainty related to the aforementioned conditions that may cast significant doubt on the Group continuing as a going concern. The management is expecting an improvement in the performance of the Group in the long run and the management is also committed to complete the project at Pune through its subsidiary company. Considering these and considering that the promoters are committed to give financial support as and when required by the Group, in the opinion of management, the Consolidated financial results are prepared on the going concern basis.

21 Subsequent to year end 31st March 2023, the board of subsidiary company has approved for removal of directors (Mr. Sandeep Khatriana & Mr. Prem Pasricha) and has also called up the shareholders meeting for the same. However, before shareholders meeting both the independent directors have resigned and their resignation have also been accepted by the subsidiary Company.

22 Figures reported for quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of full financial year ended March 31, 2023 and un-audited year to date figures published upto 31st December 2022.

23 The figures of the previous period(s) have been regrouped / reclassified wherever necessary.

Place: Pune  
Date: 30th May, 2023



For and on behalf of the Board of Directors of  
Modulex Construction Technologies Limited

AJAY SHRIDHAR PALEKAR

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AJAY SHRIDHAR  
PALEKAR  
DN: cn=Ajay Palekar,  
o=Modulex Construction Technologies Limited,  
c=IN

Ajay Palekar  
Managing Director  
DIND2709040

**MODULEX CONSTRUCTION TECHNOLOGIES LIMITED**

CIN - L25999PN1973PLC182679

Regd. Office : A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 413132

Statement of Audited Consolidated Assets and Liabilities as at March 31, 2023

(Rupees in Lakhs)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4.28	5.81
Right of Use assets	684.78	693.10
Goodwill on Consolidation	25731.20	26122.67
Capital work in progress	3254.54	3247.17
<u>Financial assets:</u>		
Investments	60.15	76.43
Other non-current assets	371.75	539.71
	<b>30106.68</b>	<b>30684.88</b>
<b>Current assets</b>		
<u>Financial assets:</u>		
Cash and cash equivalents	3.48	31.61
Bank balances other than cash and cash equivalents	-	5.00
Loans and Advances	12.96	0.50
Other financial assets	6.88	8.97
Other current assets	205.20	43.46
	<b>228.52</b>	<b>89.54</b>
<b>Asset held for disposal</b>	-	<b>3.04</b>
<b>TOTAL</b>	<b>30335.20</b>	<b>30777.46</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	5130.30	5069.11
Other equity	20801.86	21677.58
Non Controlling interest	34.89	89.42
	<b>25967.06</b>	<b>26836.11</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<u>Financial liabilities:</u>		
Borrowings	179.65	192.50
Other financial liabilities	78.29	80.61
Provisions	37.92	35.20
	<b>295.86</b>	<b>308.31</b>
<b>Current Liabilities</b>		
<u>Financial Liabilities:</u>		
Borrowings	1672.90	1614.27
Lease liabilities	396.16	396.16
Trade payables		
Payable to micro enterprises and small enterprises	23.01	20.35
Payable to others	211.73	102.27
Other financial liabilities	1205.81	976.84
Other current liabilities	542.25	404.98
Provisions	20.42	21.76
	<b>4072.28</b>	<b>3536.63</b>
<b>Liabilities held for disposal</b>	-	<b>96.41</b>
<b>TOTAL</b>	<b>30335.20</b>	<b>30777.46</b>



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MODULEX CONSTRUCTION TECHNOLOGIES LIMITED

CIN - L25999PN1973PLC182679

Regd. Office : A-82, MIDC Industrial Estate, Indapur, Pune, Maharashtra - 413132

Statement of Audited Consolidated Cash Flow for the Year ended March, 31 2023

(Rupees in Lakhs)

Sr. No.	Particulars	Year Ended	
		March 31, 2023	March 31, 2022
		(Audited)	(Audited)
<b>A)</b>	<b>Cash Flow from Operating Activities :</b>		
	Net (Loss) before Tax and after exceptional items	(903.91)	(805.35)
	<u>Adjustments for Non-Cash and Non-Operating Items :</u>		
	Depreciation and Amortisation	9.84	14.24
	Exceptional items	(88.34)	-
	Interest income on deposit, investment, loan and income tax refund	(13.09)	(7.41)
	(Gain) / loss on financial instruments at fair value through profit and loss	16.29	(15.43)
	Liabilities no longer required written off	10.83	(7.17)
	Finance cost	284.72	286.98
	<b>Cash Flow before Changes in Working Capital</b>	<b>(683.67)</b>	<b>(534.14)</b>
	<b>Movement in working capital:</b>		
	(Increase) / Decrease in Current and non current assets	4.16	14.06
	Increase /(Decrease) in Current and non current liabilities	249.08	92.42
	<b>Net Cash (Used in) Operating Activities</b>	<b>(430.43)</b>	<b>(427.66)</b>
	Income Tax paid (Net of Refund)	(0.30)	(0.25)
	<b>Net Cash Flow (used in) Operating Activities</b>	<b>(430.74)</b>	<b>(427.91)</b>
<b>B)</b>	<b>Cash Flow from Investing Activities:</b>		
	Interest received on Fixed Deposit	0.29	0.45
	Interest received on Compulsory convertible Debentures	11.01	2.30
	Investment in 15% Compulsory convertible Debentures	-	(60.00)
	Maturity proceeds from Fixed deposit	5.00	-
	Unsecured Loan given to Company in which Directors are interested	(5.00)	(47.00)
	Proceeds from unsecured loan given above	48.72	-
	Derecognition of investment in equity shares in subsidiary (RRASPL)	290.76	125.00
	Recognition of Property, plant and equipment Including CWIP (Net of Capital advances)	(2.18)	(342.40)
	<b>Net Cash (Used In) / generated from Investing Activities</b>	<b>348.61</b>	<b>(321.65)</b>
<b>C)</b>	<b>Cash Flow from Financing Activities:</b>		
	Issue of share Capital (Including Security Premium)	50.56	-
	Share Application money pending for allotment	36.00	-
	Proceeds from unsecured borrowings from Company in which directors are interested	58.63	969.62
	Proceeds from borrowings from Directors	23.30	-
	Interest paid	-	(38.91)
	Transaction cost for increase in authorised share capital	(19.00)	-
	Repayment of borrowings to related parties and Directors	(39.23)	(156.78)
	Payment of secured loan (Car)	-	(3.31)
	<b>Net Cash Flow generated from Financing Activities -</b>	<b>110.26</b>	<b>770.62</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>28.13</b>	<b>21.07</b>
	<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet</b>		
	Cash & Cash Equivalent at the beginning of the year	31.61	10.54
	Cash & Cash Equivalent at the end of the period	3.48	31.61
	<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>28.13</b>	<b>21.08</b>



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**DECLARATION ON UNMODIFIED OPINION – CONSOLIDATED FINANCIAL RESULTS**

(Pursuant to the second proviso to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In compliance with the provision of Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that, M/s RMJ & Associates, Chartered Accountants (ICAI Firm Registration No. W100281) Statutory Auditor of the Company has issued Audit Report with unmodified opinion on Annual Audited Consolidated Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2023, which has been approved at the Board Meeting held today i.e 30<sup>th</sup> May,2023.

For Modulex Construction Technologies Limited

**MAHENDR**  
**A KUMAR**  
**BHURAT**

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Mahendra Kumar Bhurat  
Chief Financial Officer

Place: Mumbai  
Date: 30<sup>th</sup> May, 2023