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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, 2023, 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, 2023, 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.

Sharp & Tannan Associates ICAI Regn.No. 109983W Chartered Accountants

Key Audit Matters

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

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	**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 recognized and profit/loss recognized. 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. • Evaluate the design and implementation of key internal financial controls and operating effectiveness of the relevant key controls with respect to existence and accuracy of revenue recognition on selected transaction. • 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.

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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.

Board of Directors Responsibilities for the Standalone Financial Statements

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

In preparing the Standalone Financial Statements, 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.

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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 and Board of directors.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in 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;

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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;

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations as at March 31, 2023 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.

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vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to 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;

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

Sharp & Tannan Associates ICAI Regn.No. 109983W Chartered Accountants

CA Tirtharaj Khot
Partner
Membership No.: (F) 037457
UDIN: 23037457BGYRJQ2071

Pune, May 15, 2023

Annexure A to the independent auditor's report on the standalone financial statements of VASCON ENGINEERS LIMITED for the year ended 31st March, 2023

(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 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.

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(iii) In our opinion and according to the information and explanations given to us;

(a) During the year the Company has not made investments in, provided loans or advances in the nature of loans, or stood guarantee, or provided security to subsidiaries, joint ventures and associates and parties other than subsidiaries, joint ventures and associates except the investment made and Inter Corporate Deposit (ICD) given to a joint venture, the details are as follows;

(Rs. In Lakhs)

Particulars	Investment	Loans (ICD)
Aggregate amount granted / provided during the year		
Joint Venture	* 700.00	* 4,332.72
Balance outstanding as at balance sheet date in respect of above cases		
Joint Venture	* 700.00	* 4,332.72

* No Fresh Investment has been made during the year. This investment and loan (ICD) are reported, since there was conversion of the Company to LLP during the year. Accordingly, Investment of Rs. 2,668 Lakhs in the Company is converted into Rs. 700 Lakhs as investment and balance Rs. 1,968 Lakhs treated as fresh ICD. The ICD of Rs. 2,364.72 Lakhs is treated as fresh ICD on conversion of Company into LLP.

(b) During the year company has made investments in and provided ICD to the Joint venture as per clause (iii) (a) and the terms and conditions of the investment in the joint venture 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 repayment of interest is regular and as per stipulations mentioned.

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

Sr. No.	Name of Entity	Amount (Rs. In Lakhs)
1	Khushal Properties Pvt. Ltd.	2,011.68
2	Rose Premises Pvt. Ltd.	19.75
3	Rajan Khinvasara (Rose Premises)	90.00
4	Raj Kanksen Bhansali	440.00
5	Shree Madhur Realtors Pvt. Ltd.	440.00
6	Dhiren Popatlal Nandu	220.00
7	Aristo Properties	187.50
8	One Stop Shop India Pvt. Ltd.	156.23
	Total	**3,565.16**

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(d) According to the information and explanation given to us and based on the audit procedures performed by us, in respect of loans granted during the year, there is no overdue amount more than ninety days and above. In case of opening outstanding loan receivable, for which there is no stipulation of repayments of principal amounts and payment of interests as mentioned in clause (iii) (c). Accordingly, we are not able to comment on the total amount overdue for more than ninety days and whether the company have taken reasonable steps for recovery of that 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, no fresh loans were granted to settle the overdue of existing loans given to the same parties.

Sr. No.	Name of the Parties	Aggregate amount of overdue 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.	196.89	4.24%
2	Marathawada Realtors Pvt. Ltd	113.46	2.44%
	Total	**310.35**	**6.68%**

(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)	310.35	310.35
- Agreement does not specify any terms or period of repayment (B)	8,386.93	4,938.25
Total (A+B)	8,697.28	5,248.60
Percentage of loans in nature of loans to the total loans	100.00 %	60.35 %

(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 paragraphs 3 Clause (v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under Section 148(1) of the Act. We have broadly reviewed these records relating to materials, labour and other items of cost maintained by the Company and are of the opinion that, *prima facie*, the prescribed cost accounts and records have been prepared and maintained. We have not however made a detailed examination of records with a view to determine whether they are accurate or complete.

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(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) There were delays by the Company in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities;
There were no undisputed statutory dues w.r.t the above dues in arrears as at March 31, 2023 for a period of more than six months from the date they become payable except for as given below:

(Rs. In Lakhs)

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Due Date	Date of Payment	Amount Paid Subsequently
Employee Provident Fund Act, 1952	Provident Fund	0.75 *	May 2018 to Mar 2019	15th of the following month	-	-
		0.05 *	Apr 2019 to May 2019		-	-
		64.08	Apr 2021 to Mar 2022		-	-
		102.39	Apr 2022 to Sep 2022		-	-
Employees State Insurance Act, 1948	ESIC	0.62	Aug 2018	15th of the following month	-	-
Goods and Service Tax Act	Goods and Service Tax Act	8.02	May 2019	20th of every following month	-	-
Sales Tax Act	Sales Tax	9.16	Jun 2017		-	-

* 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, 2023 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
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	1,254.22	1,207.97
			2015-16	77.67	73.90
			2016-17	74.20	70.42

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(viii) According to the information & explanations given to us and the records examined by us, there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraph 3 clause (viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us and the records examined by us;

(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The company has not been declared wilful defaulter by banks or financial institutions or other lenders. Accordingly, reporting on paragraph 3 clause (ix) (b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the company has raised additional term loan during the year and were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting on paragraph 3 clause (ix) (f) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us and the records examined by us,

(a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly reporting on paragraph 3 clause (x) (a) is not applicable.

(b) During the year the Company has not made preferential allotment as per the provision of the act and regulation made by the securities exchange board of India and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. During the year the company has not made the private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly reporting on paragraph 3 clause (x) (b) of the order is not applicable to the company.

(xi) According to the information and explanations given to us and the records examined by us,

(a) Based upon the audit procedures performed by us no material fraud by the Company or any material fraud on the Company has been noticed or reported during the year.

(b) Based on the audit procedures performed by us no 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 paragraph 3 clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with 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 paragraph 3 Clause (xvi) (a) (b) (c) and (d) are 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 as well as for the immediately preceding financial year

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting on paragraph 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, paragraph 3 clause (xx) (a) and (b) of the order are not applicable.

(xxi) The reporting under paragraph 3 clause (xxi) of the Order is not applicable in respect of the audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

Sharp & Tannan Associates ICAI Regn. No. 109983W Chartered Accountants

CA Tirtharaj Khot
Partner
Membership No.: (F) 037457
UDIN: 23037457BGYRJQ2071

Pune, May 15, 2023

Annexure B to the independent auditor's report on the standalone financial statements of VASCON ENGINEERS LIMITED for the year ended 31st March, 2023

(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, 2023 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, 2023, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

Board of Directors Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Sharp & Tannan Associates * Chartered Accountants * ICAI Regn.No. 109983W

CA Tirtharaj Khot
Partner
Membership No.: (F) 037457
UDIN: 23037457BGYRJQ2071

Pune, May 15, 2023

Vascon Engineers Limited

Balance Sheet as at March 31, 2023

(₹ in Lakhs)

		Particulars	Note No.	As at Mar 31, 2023	As at Mar 31, 2022
A		**ASSETS**			
	1	**Non-current assets**			
		(a) Property, Plant and Equipment	3	5,490.92	2,608.35
		(b) Capital work-in-progress		0.04	0.03
		(c) Investment Property	4	1,443.85	1,517.57
		(d) Other Intangible assets	3	3.91	3.91
		(e) Right of Use Assets	3	53.48	72.69
		(f) Financial Assets			
		(i) Investments	5	13,114.58	17,709.30
		(ii) Loans	6	113.46	105.52
		(iii) Others Financial Assets	7	11,370.25	9,877.15
		(g) Income Tax Assets (net)		1,299.90	842.22
		(h) Other non-current assets	8	2,110.71	2,609.98
		Total Non - Current Assets		**35,001.10**	**35,346.72**
	2	**Current assets**			
		(a) Inventories	9	44,019.77	43,910.84
		(b) Financial Assets			
		(i) Investments	5	346.59	406.68
		(ii) Trade receivables	10	14,886.39	10,713.29
		(iii) Cash and cash equivalents	11	4,316.46	1,359.76
		(iv) Bank balances other than (iii) above	11	4,623.24	4,333.31
		(v) Loans receivables considered good - Unsecured	6	8,641.75	8,429.89
		(vi) Others Financial Assets	7	34,108.96	29,709.50
		(c) Other current assets	8	3,355.49	2,926.97
		Assets Held for Sale	5.1	2,626.72	
		Total Current Assets		**1,16,925.37**	**1,01,790.24**
		Total Assets (1+2)		**1,51,926.47**	**1,37,136.96**
B		**EQUITY AND LIABILITIES**			
	1	**Equity**			
		(a) Equity Share capital	12	21,731.71	21,731.71
		(b) Other Equity	12.1	67,716.79	58,761.44
		Equity attributable to owners of the Company		**89,448.50**	**80,493.15**
		LIABILITIES			
	2	**Non-current liabilities**			
		(a) Financial Liabilities			
		(i) Borrowings	13	6,380.80	1,471.86
		(ia) Lease Liability	13 (i)	68.74	101.84
		(ii) Other financial liabilities	14	889.46	1,280.95
		(c) Deferred tax liabilities (Net)		-	-
		Total Non - Current Liabilities		**7,339.00**	**2,854.65**
	3	**Current liabilities**			
		(a) Financial Liabilities			
		(i) Borrowings	13	6,863.00	12,279.05
		(ia) Lease Liability	13 (i)	47.18	37.37
		(ii) Trade and other payables			
		-Total outstanding dues of micro enterprises and small enterprises	15	84.48	1.90
		-Total outstanding dues of creditors other than micro enterprises and small enterprises	15	33,543.51	25,603.82
		(iii) Other financial liabilities	14	164.15	208.18
		(b) Provisions	16	1,536.15	1,727.34
		(c) Other current liabilities	18	12,900.50	13,931.50
		Total Current Liabilities		**55,138.97**	**53,789.16**
		Total Equity and Liabilities (1+2+3)		**1,51,926.47**	**1,37,136.96**
		Significant accounting policies	2		
		See accompanying notes forming part of the financial statements.			

Sharp & Tannan Associates
ICAI
Regn.No.

In terms of our report attached.	**For and on behalf of the Board of Directors**
For Sharp & Tannan Associates Chartered Accountants Firm registration number - 109983W	Siddharth Vasudevan Managing Director (DIN-02504124) Mukesh Malhotra Director (DIN-00129504)
CA Tirtharaj Khot Partner Membership No. : (F) - 037457 Date : 15 May, 2023 Place : Pune	Dr Santosh Sundararajan Whole Time Director & Group Chief Executive Officer (DIN-00015229)
	Sarita Ahuja Company Secretary & Compliance Officer Somnath Biswas Chief Financial Officer
	Date : 15 May, 2023 Place : Pune

Vascon Engineers Limited
Statement of Profit and Loss for the Period Ended March 31, 2023 **(₹ in Lakhs)**

		Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I		Revenue from operations	19	76,747.47	46,264.58
II		Other Income	20	959.81	5,371.35
III		**Total Income (I + II)**		**77,707.28**	**51,635.93**
IV		**EXPENSES**			
	(a)	Cost of materials and services consumed	21.a	61,841.89	38,605.95
	(b)	Purchases of Stock-in-trade		0.48	0.67
	(c)	Changes in stock of finished goods, work-in-progress and stock-in-trade	21.b	(16.59)	272.33
	(d)	Employee benefit expense	22	3,244.79	3,819.01
	(e)	Finance costs	23	1,006.58	2,139.94
	(f)	Depreciation and amortisation expense	3 & 4	587.98	514.65
	(g)	Other expenses	24	2,379.45	2,873.45
		Total Expenses (IV)		**69,044.58**	**48,226.00**
V		**Profit before tax (III - IV)**		**8,662.70**	**3,409.93**
VI		**Tax Expense**			
	(1)	Current tax	17	-	-
	(2)	Deferred tax	17	-	-
	(3)	(Excess) / Short provision for tax of earlier years	17	-	60.93
		Total tax expense VI		-	**60.93**
VII		**Profit after tax (V - VI)**		**8,662.70**	**3,349.00**
VIII		**Other comprehensive income**			
		Items that will not be reclassified to profit or loss			
		- Remeasurements of the defined benefit liabilities / (asset)		96.51	16.62
IX		**Total comprehensive income for the Year (VII + VIII)**		**8,759.21**	**3,365.62**
X		**Earnings per equity share**			
	(1)	Basic (in Rs.)	25	3.99	1.68
	(2)	Diluted (in Rs.)	25	3.99	1.68
		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

Sharp & Tannan Associates ICAI Regn.No. 109983W Chartered Accountants

CA Tirtharaj Khot
Partner
Membership No. : (F) - 037457
Date : 15 May, 2023
Place : Pune

For and on behalf of the Board of Directors

Siddharth Vasudevan
Managing Director
(DIN-02504124)

Mukesh Malhotra
Director
(DIN-00129504)

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

Sarita Ahuja
Company Secretary & Compliance Officer

Somnath Biswas
Chief Financial Officer

Date : 15 May, 2023
Place : Pune

Vascon Engineers Limited

Statement of Cashflow for the Year Ended March 31, 2023

Cash Flow Statement - Indirect Method (₹ in Lakhs)

Particulars	For the year ended Mar 31, 2023 (Audited)	For the year ended Mar 31, 2022 (Audited)
Cash flows from operating activities		
Profit / (Loss) before tax for the year	8,662.70	3,409.93
Adjustments for:		
Finance costs	1,006.58	2,139.94
Dividends received from Joint Venture/ shares	-	(13.09)
(Gain)/ loss on Sale of Assets	(10.74)	(347.09)
Depreciation	587.98	514.65
Interest received	(578.41)	(538.38)
Expense recognised in respect of equity-settled share-based payments	196.14	304.85
Provision for doubtful debts and advances	309.20	55.10
Provision / Creditors no longer required written back	(335.32)	(234.28)
Gain / (loss) on investments carried at fair value	(7.81)	0.89
Dividend received on investments carried at fair value through profit or loss	-	(3.98)
Commision (Net)	52.79	30.28
Profit on Sale of Investment	-	(4,213.48)
Provision for diminution in value in investment	-	1,100.00
	9,883.11	**2,205.34**
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(6,219.96)	2,603.02
(Increase)/decrease in amounts due from customers under construction	(4,759.99)	(9,820.56)
(Increase)/decrease in inventories	1,296.34	1,296.72
(Increase)/decrease in other financial assets	(1,692.41)	(125.30)
(Increase)/decrease in Financial asset Loans	1,748.21	(1,968.30)
(Increase)/decrease in other current and non current assets	71.85	(1,147.17)
Increase/(decrease) in other liabilities	354.48	2,683.17
Increase/(decrease) in trade and other payables	8,241.39	4,329.27
Increase/(decrease) in provisions	(94.70)	202.82
Cash (used in)/generated from operations	**8,828.32**	**259.01**
Income tax refund / (paid)	(457.67)	(72.77)
Net cash (used in)/generated by operating activities	**8,370.65**	**186.24**
Cash flows from investing activities		
Purchase of fixed assets including work in progress	(3,389.45)	(670.11)
Proceeds from disposal of Fixed assets	22.73	408.67
Dividends received from Joint Venture /Shares	-	13.09
Proceeds on redemption / (Investment) of Liquid Mutual Fund	66.23	(90.89)
(Investment) /Proceeds from Fixed deposits with Banks	199.34	(555.02)
(Proceeds) / Redemption from Sale of Investment	-	4,550.69
Investment in Subsidiaries / Joint Venture	-	(2,507.94)
Net cash (used in)/generated by investing activities	**(3,101.15)**	**1,148.49**
Cash flows from financing activities		
Proceeds from issue of Equity Shares	-	7,400.00
Repayment of borrowings	(8,779.56)	(6,679.29)
Proceeds from borrowings	8,307.18	740.00
Proceeds / (repayment) of Lease Liabilities	(23.29)	35.38
Interest received	595.58	550.60
Finance cost including capitalized to qualifying assets	(2,377.98)	(3,932.20)
Net cash (used in)/generated by financing activities	**(2,278.07)**	**(1,885.51)**
Net increase / (decrease) in cash and cash equivalents	2,991.43	(550.78)
Cash and cash equivalents at the beginning of the year (Refer Note-11 A)	1,324.74	1,875.52
Cash and cash equivalents at the end of the year (Refer note -11 A)	**4,316.16**	**1,324.74**

Sharp & Tannan Associates ICAI Regn.No. 109983W

In terms of our report attached.	**For and on behalf of the Board of Directors**
For Sharp & Tannan Associates Chartered Accountants Firm registration number - 109983W	Siddharth Vasudevan Managing Director (DIN-02504124)
	Mukesh Malhotra Director (DIN-00129504)
CA Tirtharaj Khot Partner Membership No. : (F) - 037457 Date : 15 May, 2023 Place : Pune	Dr Santosh Sundararajan Whole Time Director & Group Chief Executive Officer (DIN-00015229)
	Sarita Ahuja Company Secretary & Compliance Officer
	Somnath Biswas Chief Financial Officer
	Date : 15 May, 2023 Place : Pune

Sharp & Tannan Associates * Chartered Accountants * ICAI Regn. No. 109983W

Vascon Engineers Limited
Statement of Changes in Equity for the year ended 31st March, 2023

A. Changes in Equity (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the begining of the year	21,731.71	18,213.67
Issue of equity shares under employee share option plan	-	400.00
Issue of Preferential equity shares	-	3,118.04
Balance at the end of the year	**21,731.71**	**21,731.71**

B. Changes in Other Equity

Particulars	Securities premium reserve	General reserve	Equity-settled employee benefits reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the reporting Year - As of April 01, 2022	60,586.51	1,537.50	855.69	1,250.00	(5468.26)	**58,761.44**
Amount recorded on Grant	-	-	196.14	-	-	**196.14**
Other Comprehensive income for the year	-	-	-	-	96.51	**96.51**
Profit / (Loss) for the Year	-	-	-	-	8,662.70	**8,662.70**
Balance at the end of the reporting Year - March 31, 2023	**60,586.51**	**1,537.50**	**1,051.83**	**1,250.00**	**3,290.95**	**67,716.79**

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**	**855.69**	**1,250.00**	**(5468.26)**	**58,761.44**

In terms of our report attached.

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

Sharp & Tannan Associates * Chartered Accountants * ICAI Regn.No. 109983W

CA Tirtharaj Khot
Partner
Membership No. : (F) - 037457
Date : 15 May, 2023

For and on behalf of the Board of Directors

Siddharth Vasudevan
Managing Director
(DIN-02504124)

Mukesh Malhotra
Director
(DIN-00129504)

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

Sarita Ahuja
Company Secretary & Compliance Officer

Somnath Biswas
Chief Financial Officer

Date : 15 May, 2023
Place : Pune

Vascon Engineers Limited

Notes forming part of the financial statements for the year ended 31st March, 2023

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, 2023 were approved by the Board of Directors and authorise for issue on May 15, 2023.

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

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.

Sharp & Tannan Associates ICAI Regn.No.

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

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

2.04 Revenue Recognition / Cost Recognition

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

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

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

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

a) Construction contracts

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

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

b) Real estate development

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

- the seller has 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 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

2.06 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

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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.

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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.

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

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

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

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

Non-financial assets

Tangible and intangible assets

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

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

2.16 Inventories

a) Stock of Materials

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

b) Development Work

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

c) Stock of Trading Goods

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

2.17 Financial instruments

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

Cash and cash equivalents

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

Financial assets at amortised cost

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

Effective Interest Method

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

Financial assets at fair value through other comprehensive income

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

Financial guarantee contracts:

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

Financial assets at fair value through profit or loss

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

Investment in subsidiaries

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

Financial liabilities

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

Effective Interest Method

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

Equity instruments

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

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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.

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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".

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Notes forming part of the financial statements for the year ended 31st March, 2023

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, 2022	66.06	7,420.65	504.33	255.81	745.04	338.88	**9,330.77**	**560.75**	1,110.81	111.65	**1,222.46**
Additions	2,252.80	1,036.60	50.56	2.47	32.08	-	**3,374.51**	**1.06**	-	14.04	**14.04**
Disposals	-	(108.72)	(13.33)	(26.21)	(4.71)	-	**(152.97)**	-	-	-	-
As at March 31, 2023 (A)	**2,318.86**	**8,348.53**	**541.56**	**232.07**	**772.41**	**338.88**	**12,552.31**	**561.81**	**1,110.81**	**125.69**	**1,236.50**
Accumulated depreciation											
As at April 1, 2022	42.62	5,218.98	457.85	163.67	712.30	127.02	**6,722.44**	**556.84**	1,060.29	89.47	**1,149.76**
Additions	87.58	310.92	15.47	28.38	23.22	14.37	**479.94**	**1.06**	18.95	14.31	**33.26**
Disposals	-	(98.30)	(12.67)	(25.69)	(4.33)	-	**(140.99)**	-	-	-	-
As at March 31, 2023 (B)	**130.20**	**5,431.60**	**460.65**	**166.36**	**731.19**	**141.39**	**7,061.39**	**557.90**	**1,079.24**	**103.78**	**1,183.02**
Net carrying value as at March 31, 2023 (A) - (B)	**2,188.66**	**2,916.93**	**80.91**	**65.71**	**41.22**	**197.49**	**5,490.92**	**3.91**	**31.57**	**21.91**	**53.48**
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**

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Notes forming part of the financial statements for the year ended 31st March, 2023

Note No. 4 - Investment Property (₹ in Lakhs)

Description of Assets	Buildings
Gross carrying value *	
As at April 1, 2022	2,257.79
Additions	-
Disposals	-
As at March 31, 2023 (A)	**2,257.79**
Accumulated depreciation	
As at April 1, 2022	740.22
Charge for the year	73.72
Reversals/ Disposals during the year	-
As at March 31, 2023 (B)	**813.94**
Net carrying value as at March 31, 2023 (A) - (B)	**1,443.85**
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**

The Company's investment properties consist of commercial properties in India. Management determined that the investment properties consist of only one class of asset i.e. office spaces based on the nature, characteristics and risks of the property.

* Cost of investment property includes amount paid for shares in Co- Operative Societies/ Companies.

Fair valuation

Particulars	**As at Mar 31, 2023**	**As at Mar 31, 2022**
Investment Property	2,868.53	2,407.66

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 ₹ 1443.85 Lakhs (Previous Year ₹ 1517.57 Lakhs) is subject to first charge for secured bank loans (refer note 13.2)

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Notes forming part of the financial statements for the year ended 31st March, 2023

Note No. 5 - Investment

A. Non Current Investment (₹ in Lakhs)

Particular	As at March 31, 2023	As at March 31, 2022
A. INVESTMENTS CARRIED AT COST		
Unquoted Investments (all fully paid)		
Investments in Equity Instruments of Subsidiaries		
Almet Corporation Limited *(Refer Note 5.1)*	-	1,035.66
58,824 (March 31, 2022: 58,824) Equity Shares of ₹ 100/- Each Fully Paid		
Marathawada Realtor Private Limited *(Refer Note 5.1)*	-	1,591.06
39,216 (March 31, 2022: 39,216) Equity Shares of ₹ 100/- Each Fully Paid		
Marvel Housing Private Limited	1.00	1.00
10,000 (March 31, 2022: 10,000) Equity Shares of ₹ 10/- Each Fully Paid		
GMP Technical Solutions Private Limited	4,602.71	4,602.71
12,689 (March 31, 2022: 12,689) Equity Shares of ₹ 10/- Each Fully Paid		
Vascon Value Homes Private Limited	1.00	1.00
10000 (March 31,2022: 10000) Equity shares of ₹ 10/- Each fully paid		
Vascon Developers Private Limited *	-	2,668.00
(formerly known as Rivershore Developer Private Limited)		
NIL (March 21, 2022: 4,39,74,252) Equity shares of ₹ 10/- Each fully paid		
	4,604.71	**9,899.42**
Investments in Equity Instruments of associates		
Mumbai Estates Private Limited	10.00	10.00
99,999 (March 31, 2022: 99,999) Equity Shares of ₹ 10 /- Each Fully Paid		
DCS Conventions and Hospitality Private Limited	0.05	0.05
520 (March 21, 2022: 520) Equity shares of ₹ 10/- Each fully paid		
	10.05	**10.05**
Investments in Equity Instruments of joint ventures - jointly controlled entities		
Vascon Engineers Ltd Wll (Qatar) - 49% stake	0.01	0.01
Phoenix Venture	200.00	200.00
Investment in Partnership Firm - Ajanta Enterprises	4,272.94	4,272.94
Investment in LLP - Vascon Developers LLP*	700.00	
Vascon Saga Construcions LLP	1.52	1.52
	5,174.47	**4,474.47**
INVESTMENTS CARRIED AT COST [A]	**9,789.23**	**14,383.95**

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B. INVESTMENTS CARRIED AT AMORTISED COST		
Investments in Redeemable Non-Cumulative Preference Shares of Subsidiary		
GMP Technical Solutions Private Limited	574.79	574.79
0.001% 574,793 (March 31, 2022: 574,793) 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**	**574.99**
C. INVESTMENTS CARRIED AT FVTPL		
Quoted Investments		
Investments in Equity Instruments - Union Bank of India *(formerly Corporation Bank)*	0.11	0.11
330 (March 31,2022: 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, 2022: 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]	**13,114.58**	**17,709.30**

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

Particular	As at March 31, 2023	As at March 31, 2022
Aggregate amount of Quoted Investments and Market Value thereof	0.11	0.11
Aggregate amount of Unquoted Investments	13,114.47	17,709.19
Aggregate amount of Provision for expected credit loss on investments	-	-
	-	

*During the year ended March 2023, one of the Subsidiaey " Vascon Developers Private Limited" has converted into Limited Liability Partnership with a name of Vascon Developers LLP w.e.f., 06th Oct 2022. There are no major transactions in LLP except the introduction of Capital by new partner. The stake holding in subsidiary was 92% and reduced to 35% in LLP with the introduction of new partner with 50% holding.

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

Particular	As at March 31, 2023	As at March 31, 2022
Designated as Fair Value Through Profit and Loss		
Unquoted Investments (all fully paid)		
Investments in Equity Instruments of structured entities		
Sita Lakshmi Mills Limited	234.00	234.00
806,000 (March 31, 2022: 806,000) Equity Shares of ₹ 50/- Each Fully Paid		
Total Unquoted Investments	**234.00**	**234.00**
Quoted Investments		
Investments in Mutual Funds	112.59	172.68
HSBC Cash Fund		
Units 5021.442 (March 31, 2022: 8145.94) , NAV ₹ 2242.1310 (March 31, 2022: ₹ 2119.7831) each		
Total Quoted Investments	**112.59**	**172.68**
TOTAL CURRENT INVESTMENTS	**346.59**	**406.68**

Details of quoted / unquoted investments:

Particular	As at March 31, 2023	As at March 31, 2022
Aggregate amount of Quoted Investments and Market Value thereof	112.59	172.68
Aggregate amount of Unquoted Investments	234.00	234.00
Aggregate amount of Provision for expected credit loss on investments	-	-

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Note No. 5.1 - Assets Classified as Held for Sale (₹ in Lakhs)

Current

Particulars	As at March 31, 2023	As at March 31, 2022
Investment Carried at Cost (Unqoted)		
Equity Shares of Subsdiary Companies		
Almet Corporation Limited	1,035.66	-
58,824 (March 31, 2022: 58,824) Equity Shares of ₹ 100/- Each Fully Paid		
Marathawada Realtor Private Limited	1,591.06	-
39,216 (March 31, 2022: 39,216) Equity Shares of ₹ 100/- Each Fully Paid		
- During the current year, the Company has classified investment made in two subsidiaries as assets held for sale in accordance with the management's plan to dispose the assets of the subsidiaries		
TOTAL	2,626.72	-

Note No. 6 - Loans (₹ in Lakhs)

A. Non Current

Particulars	As at March 31, 2023	As at March 31, 2022
a) Loans to related parties (Refer Note 33 & 36)	113.46	105.52
- Unsecured, considered good		
TOTAL	113.46	105.52

Current

Particulars	As at March 31, 2023	As at March 31, 2022
a) Loans and Advances to Employees		
- Unsecured, considered good	173.10	174.90
b) Loans to related parties (Refer Note 33 & 36)		
- Unsecured, considered good	4,900.49	2,548.21
c) Other Loans -		
- Unsecured, considered good	3,568.16	5,706.78
TOTAL	8,641.75	8,429.89

Note No. 7 - Other Financial Assets (₹ in Lakhs)

A. Non - Current

Particulars	As at March 31, 2023	As at March 31, 2022
a) Security Deposits		
- Unsecured	778.54	788.05
- Doubtful	25.00	25.00
Less: Allowance for Credit Losses	(25.00)	(25.00)
b) Bank deposits with more than 12 months maturity	38.00	527.27
c) Project Advances	10,553.71	8,561.83
TOTAL	11,370.25	9,877.15

B. Current

Particulars	As at March 31, 2023	As at March 31, 2022
a) Security Deposits - Unsecured	511.43	365.41
b) Interest accrued on deposits	117.10	99.94
c) Project Advances	2,929.21	3,452.92
d) Other Recoverable (JV Partner share)	636.78	636.78
e) Amounts due from customers		
- Gross amount due from customer (Unbilled)	32,832.10	30,043.12
- Less : Related Advance Payments received	(2917.66)	(4888.67)
	29,914.44	25,154.45
TOTAL	34,108.96	29,709.50

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Note No. 8 - Other non-current and current assets **(₹ in Lakhs)**

A. Non Current

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Balances with goverment authorities (other than income taxes)	2,110.71	2,609.98
TOTAL	**2,110.71**	**2,609.98**

B. Current

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Advances to suppliers	2,814.22	2,312.41
(b) Prepaid Expenses	497.18	570.63
(c) Travel Advance	44.09	43.93
TOTAL	**3,355.49**	**2,926.97**

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Building materials / tools	3,929.75	3,837.41
(b) Projects under Development	37,999.57	37,014.42
(c) Completed Units	2,090.45	3,059.01
Total Inventories	**44,019.77**	**43,910.84**

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

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Unsecured, considered good	9,976.00	7,789.30
(b) Credit Impaired	2,922.12	2,612.91
Less: Allowance for Credit Losses	(2922.12)	(2612.91)
	9,976.00	7,789.30
Retention (Accrued but not due)		
(a) Unsecured, considered good	6,166.60	4,525.55
(b) Doubtful	-	-
Less: Allowance for Credit Losses	-	-
	6,166.60	4,525.55
Less: Related Unearned Receivables	(1256.21)	(1601.57)
TOTAL	**14,886.39**	**10,713.29**

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

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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 **(₹ in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
EPC:		
Less than 1 year	6,933.74	3,614.32
1-2 year	3,263.72	1,690.39
2-3 year	397.39	447.36
More than 3 year	3,680.64	5,210.44
Less :- Expected Credit Loss	(2922.12)	(2612.91)
Total	**11,353.37**	**8,349.60**
Development Sales Receivables	1,732.11	1,308.40
Receivables from Related Parties (Refer Note No. 33)	1,800.91	1,055.29
TOTAL	**14,886.39**	**10,713.29**

Movement in the expected credit loss allowance is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	2,612.92	2,557.82
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit loss	338.73	71.30
Utilization / Reversals	(29.53)	(16.20)
Balance at end of the year	**2,922.12**	**2,612.92**

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

Particulars	As at March 31, 2023	As at March 31, 2022
A) Current Cash and bank balances		
(a) Unrestricted Balances with banks #	2,415.13	603.72
(b) Cheques, drafts on hand	-	-
(c) Cash in hand	165.68	180.44
(d) Balances with banks in deposit accounts with original maturity of less than 3 months	1,735.65	575.60
Cash and Cash equivalent as per balance sheet	**4,316.46**	**1,359.76**
Bank Overdraft	0.30	35.02
Total Cash and cash equivalent as per statement of cash flows	**4,316.16**	**1,324.74**
B) Other Bank Balances		
(a) Balances with banks in deposit accounts with original maturity more than 3 months	430.84	321.19
(b) In earmarked accounts - Balances held as margin money or security against borrowing, guarantee and other commitments *	4,192.40	4,012.12
Total Other Bank Balances	**4,623.24**	**4,333.31**

* 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.

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Note 10 (a) **Mar-23**

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	3,850.06	1,106.00	1,192.50	609.12	3,416.57	**10,174.25**
(ii) Undisputed Trade Receivables - Considered doubtful	19.48	4.84	256.66	3.06	2,439.83	**2,723.87**
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-
Total Debtors	**3,869.54**	**1,110.84**	**1,449.16**	**612.18**	**5,856.40**	**12,898.12**
Less: Allowance for Loss	-	-	-	-	-	**(2922.12)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**6166.60**
Less: Related Unearned Receivables	-	-	-	-	-	**(1256.21)**
Net Debtors	**3,869.54**	**1,110.84**	**1,449.16**	**612.18**	**5,856.40**	**14,886.39**

Mar-22

Trade Receivable ageing schedule

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	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	-	-	-	-	-	**(2612.91)**
Add: Retention (Accrued but not due)	-	-	-	-	-	**4525.55**
Less: Related Unearned Receivables	-	-	-	-	-	**(1601.57)**
Net Debtors	**1,383.90**	**1,057.34**	**1,455.43**	**636.26**	**5,869.29**	**10,713.29**

Note : Ageing has been considered from the date of transactions

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Note No. 12 - Share Capital

Share Capital	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
* Equity shares of ₹ 10 each with voting rights	26,41,30,000	2,64,13,00,000	26,41,30,000	2,64,13,00,000
* Preference Share of ₹ 10 each without voting rights	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	21,73,17,111	2,17,31,71,110	21,73,17,111	2,17,31,71,110

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share held. In the event of liquidation of the company the holder of the equity share will be entitled to receive remaining asset after deducting all its liabilities in proportion to the number of equity shares held.

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, 2021	18,21,36,716	18,213.67
Changes in equity share capital during the year		
Issue of equity shares under employee share option plan	40,00,000	400.00
Issue of Preferential equity shares	3,11,80,395	3,118.04
Balance at March 31, 2022	**21,73,17,111**	**21,731.71**
Changes in equity share capital during the year		
Issue of Preferential equity shares	-	-
Issue of equity shares under employee share option plan	-	-
Balance at Mar 31, 2023	**21,73,17,111**	**21,731.71**

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

Class of shares / Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Vasudevan Family Trust	3,24,11,735	14.91	2,29,11,577	10.54
R. Vasudevan	1,99,88,624	9.20	1,95,17,124	8.98
Lalitha Vasudevan	22,27,171	1.02	1,17,27,329	5.40
Crest Ventures Limited	1,11,35,857	5.12	1,11,35,857	5.12

(iii) Details of Shareholdings by Promoter / Promoter Group

(Shares in Nos.)

Promoter / Promoter Group Name	31st March, 2023		31st March, 2022		% Change during the Year
	Numbers of Shares	% of Holding	Numbers of Shares	% of Holding	
Promoter					
Vasudevan Ramamoorthy (in the capacity of Trustee of Vasudevan Family Trust)	3,24,11,735	14.91	2,29,11,577	10.54	4.37
Vasudevan Ramamoorthy	1,99,88,624	9.20	1,95,17,124	8.98	0.22
Lalitha Vasudevan	22,27,171	1.02	1,17,27,329	5.40	-4.38
Siddharth Vasudevan Moorthy	41,64,953	1.92	41,64,953	1.92	0.00
Sowmya Aditya Iyer	7,00,294	0.32	7,00,294	0.32	0.00
Ramya Siddharth Moorthy	8,90,868	0.41	8,90,868	0.41	0.00
Promoter Group					
Vatsalya Enterprises Private Limited	95,99,275	4.42	95,99,275	4.42	0.00
Total	**6,99,82,920**		**6,95,11,420**		

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(iv) As at 31 Mar, 2023, 4,000,000 shares (As at 31 March, 2022, 4,000,000 shares) were reserved for issuance as follows:

Particulars	No. of shares					
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Outstanding employee stock options granted / available for grant	40,00,000	40,00,000	80,00,000	1,20,00,000	1,20,00,000	1,60,00,000

Note No. 12.1 - Other Equity **(Rs. 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, 2022	60,586.51	1,537.50	855.69	1,250.00	(5468.26)	**58,761.44**
Amount recorded on Grant	-	-	196.14	-	-	**196.14**
Other Comprehensive income for the year	-	-	-	-	96.51	**96.51**
Profit / (Loss) for the Year	-	-	-	-	8,662.70	**8,662.70**
Balance at the end of the reporting Year - March 31, 2023	**60,586.51**	**1,537.50**	**1,051.83**	**1,250.00**	**3290.95**	**67,716.79**

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

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

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.

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Note No. 13 - Borrowings **(₹ in Lakhs)**

A. Non Current Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Measured at amortised cost		
A. Secured Borrowings:		
(a) Term Loan from Financial Institution	6,357.22	1,447.03
Total Secured Borrowings	**6,357.22**	**1,447.03**
B. Unsecured Borrowings - at amortised Cost		
(a) Loans from related parties	23.58	24.83
Total Unsecured Borrowings	**23.58**	**24.83**
Total Borrowings carried at Amortised Cost [A] + [B]	**6,380.80**	**1,471.86**
Total Non-Current Borrowings	**6,380.80**	**1,471.86**

B. Current Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
A. Secured Borrowings		
Cash Credit from Banks *	4,551.84	5,536.65
Current maturities of long-term debt	1,608.64	4,236.53
Total Secured Borrowings	**6,160.48**	**9,773.18**
B. Unsecured Borrowings		
(a) From Banks (Bank overdraft)	0.30	35.02
(b) Loans from related parties	632.31	2,409.80
(c) Loans from other parties	69.91	61.05
Total Unsecured Borrowings	**702.52**	**2,505.87**
Total Current Borrowings	**6,863.00**	**12,279.05**

* 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, 2023	As at March 31, 2022
Lease Liability obligation (Refer Note 29)	30.78	54.88
Finance Lease Libility (Refer Note 29)	37.96	46.96
Other Non-Current Lease Liabilities	**68.74**	**101.84**

B. Current

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Current maturities of finance lease obligations (Refer Note 29)	13.61	13.61
(b) Current maturities of lease obligations IND AS 116 (Refer Note 29)	33.57	23.76
Other Current Lease Liabilities	**47.18**	**37.37**

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Notes forming part of the financial statements for the year ended 31st March, 2023

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 24 to Mar 25	Apr 25 to Mar 26	Apr 26 to Mar 27	Apr 27 to Mar 30			
I. Secured									
a) Aditya Birla Finance Limited	2,720.35	-	1,360.18	1,360.18			2,720.35	17.85%	1. Exclusive charge on Entire land admeasuring 40,152 sq.mtr along with present and proposed construction thereon excluding sold and registered units along with hypothecation of receivables from sold units (including in unsold units from phase 1 & 2 for project Vascon Good Life located Talegaon MIDC Road, situated at Katvi, Tal - Maval Dis. Pune. Minimum Security cover of 2x and net realisable cover of 2x ti,es on proposed security 2. First and exclusive charge by way of hypothication on all the present and future receivables (sold and unsold), on the above mentioned project 3. Exclusive charge on pass through escrow account for deposit of surplus share of profit of VEL for the Project Forest County from Tower N & W with receivable to the tune of Rs. 14.75 Crs.. 4. First and exclusive charge by way of hypothication on the RERA Escrow account for the Project Vascon Goodlife, all monies credited or deposited thereinand all investment in respect thereof.
b) Aditya Birla Finance Limited - 10 Crore	982.64	31.74	36.23	41.07	46.56	827.03	950.90	20.25%	1. Duplex Flat no 701, Floor No;- 7th, No:- Final Plot No 331 Building No:- Tower I house ,Society Name:- Windermere, Street Name:- Koregaon Park, Locality: - Pune 411001, State: Maharashtra,Dist: Pune, Zip Code: 411001 Owner Name: Vascon Engineers Limited. 2. Duplex Flat No a-9,8th and 9th Floor, Wing No A, Ivy Glen House, Marigold Phase III Co-operative Housing Society Ltd, S No 15/1 15/2/1, 15/2/2, 15/3, 15/4, 15/5, 15/6, Vadgaonsheri, Pune, Tal: Haveli, Dist: Pune Maharashtra 411014 Owner Name: Vascon Engineers Limited
c) Tata Capital Financial Services Limited	887.98	158.39	230.89	267.34	231.36	-	729.59	20.55%	1. First charge by way of Hypothecation on the receivables of sale of developers identified units into an escrow account. 1. First and exclusive charge by way of Mortgage on property situated at Tulips Phase -3, Block 6 & 7 at S nos 551/1,2,556/1D,1E,557/3,560/3, T S No 13/1A, Ward no 28, Block No 1 of Sowripalayam Village, East Zone, Coimbatore, Tamil Nadu 641028.
d) ICICI Home Finance	621.37	146.26	165.14	186.45	123.52	-	475.11	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.

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Name of the lender	Outstanding amount	Current Maturities	Long Term				[illegible]	Rate of interest	Nature of security
e) Prachay Capital - 15 Crs	469.50	333.33	136.17	-	-	-	136.17	16.00%	1. First ranking exclusive charge by way of registered mortgage over the Project Land and all identified movable and immovable property in connection with the Project. 2. First ranking and exclusive charge by way of hypothecaion over all the other assets ofthe issuer (i.e., excluding Mortgaged Property) in connection with the Project and the Project Land (including allits bank accounts) . 3. Personal Gurantees fromthe Personal Guarantors 4. Demand Promissory Note and Letter of Continuity 5. Escrow Agreement
f) Prachay Capital - 10 Crs	936.99	936.99	-	-	-	-	-	17.00%	1. Registered Mortgage of Office bearing No. 301 admeasuring 809 square feet carpet area in the building Garnet bay constructed on land bearing S No. 197/3 at village Lohegaon, Taluka Haveli, District-Pune 2. Hypothecation of borrower's/ co-borrower's share of all present and future receivables from M/s Samarttha Trimurti Properties.
g) Union Bank of India - UGECL	136.81	-	27.36	27.36	27.36	54.72	136.81	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
h) State Bank of India - Guaranteed Emergency Credit Line	1,120.67	-	280.17	280.17	280.17	280.17	1,120.67	8.95%	Extension of charge (2nd charge) over the existing Primary & collateral securities created in favour of the Bank (Consortium Banks)
i) UBI OD against Fixed Deposit	71.61	-	71.61	-	-	-	71.61	5.30%	Secured against fixed deposit
j) Bank of Maharashtra	17.94	1.94	2.16	2.39	2.64	8.81	16.00	10.45%	Hypothecation of Vehicle financed by lender
From financial institution									
Daimler Financial Services India Pvt Ltd	51.58	13.61	37.96	-	-		37.96	10.65%	Hypothecation of Vehicle financed by lender
II. Unsecured									
a) Loans and advances from related parties									
- Subsidiaries									
Almet Corporation Limited	23.58	-	23.58	-	-		23.58	9.00%	Not Applicable
							-		
Total	**8,041.02**	**1,622.26**	**2,371.44**	**2,164.96**	**711.61**	**1,170.73**	**6,418.76**		

* Interest accrued and due on borrowings as on 31st Mar, 2023 disclosed under other current liabilities (Refer Note 14)

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Note No. 14 - Other Financial Liabilities **(₹ in Lakhs)**

A. Non - Current

Particulars	As at March 31, 2023	As at March 31, 2022
Commitment and other deposits	889.46	1,280.95
Other Non-Current Financial Liabilities	**889.46**	**1,280.95**

B. Current

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Interest accrued but not due on borrowings	2.05	1.45
(b) Interest accrued but due on borrowings	70.99	37.72
(c) Creditors for capital supplies/services	70.54	82.72
(d) Others	20.59	86.29
Total other financial liabilities	**164.17**	**208.18**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding dues of Micro and Small Enterprises *(Refer Note No. 35)*	84.48	1.90
Total Outstanding dues of Creditors other than Micro and Small Enterprises	33,543.51	25,603.82
Total trade payables	**33,627.99**	**25,605.72**

Note No. 16 - Provisions **(₹ in Lakhs)**

Current

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Provision for employee benefits		
1) Compensated absences	736.70	755.33
2) Gratuity (Refer Note 31)	750.52	916.10
(b) Other Provisions		
Taxation	48.93	55.91
Total Provisions	**1,536.15**	**1,727.34**

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Note 15 (a) **Mar-23**

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	77.21	-	-	7.27	84.48
(ii) Others	21,660.77	2,211.71	2,041.23	7,629.80	33,543.51
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-

Mar-22

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	-	-	-	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	-	-	-	-	-

Note : Ageing has been considered from the date of transactions

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Note No. 17 - Current Tax and Deferred Tax

(a) Income Tax Expense

Particulars	As at March 31, 2023	As at March 31, 2022
Current Tax:		
Current Income Tax Charge	-	-
Adjustments in respect of prior years	-	60.93
Deferred Tax		
In respect of current year origination and reversal of temporary differences	-	-
Total Tax Expense recognised in profit and loss account	**-**	**60.93**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Profit Before tax from Continuing Operations	8,662.70	3349.00
Income Tax using the Company's domestic Tax rate @ 25.168% (Previous Year Tax Rate @ 25.168%)	2,180.23	842.88
Effect of Tax Rates in Foreign Jurisdictions	-	-
Reduction in Tax Rate	-	-
Tax Effect of :		
- Non deductible Expenses		
- Tax - Exempt income	(489.66)	(135.21)
- Recognition of Tax Effect of Previously unrecognised tax losses	(1690.57)	(707.67)
Changes in estimates related to prior years	-	60.93
Income Tax recognised In P&L from Continuing Operations	**-**	**60.93**

Particulars	As at March 31, 2023	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities		
Property, Plant and Equipment	774.47	67.58
	774.47	67.58
Tax effect of items constituting deferred tax assets		
Employee Benefits	374.30	420.67
Carry forward Tax Loss	400.17	(353.09)
	774.47	67.58
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, 2023

Note - 18: Other Liabilities

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

Particulars	As at March 31, 2023	As at March 31, 2022
a. Advances received from customers		
- Gross amount due to customers	11,072.03	12,114.32
- Less : Related Unbilled Revenues	(2917.66)	(4888.67)
	8,154.37	7,225.65
b. Amount due to customers under construction contracts		
- Gross amount due to customers (Unearned)	4,395.87	6,596.02
- Less : Related Debtors	(1256.21)	(1601.57)
	3,139.66	4,994.45
c. Statutory dues		
- taxes payable (other than income taxes)	1,606.47	1,711.40
Total Other Liabilities	**12,900.50**	**13,931.50**

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Notes forming part of the financial statements for the year ended 31st March, 2023

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognized / sales		
- Contract revenue	64,936.83	40,928.78
- Sale of unit	9,079.35	4,202.41
- Trading sales	323.92	0.88
- Other sales (Includes maintenance charges of soceity,Hire charges, Scrap Sales)	263.28	542.73
Other operating income		
- Rent earned	198.54	199.10
- Share of profit / (loss) from Partnership firms (net)	1,945.55	390.68
Total Revenue from Operations	**76,747.47**	**46,264.58**

Note No. 20 - Other Income **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest Income		
On Financial Assets at Amortised Cost	578.41	538.38
(b) Dividend received on investments carried at fair value through profit or loss Liquid Mutual fund units	7.81	3.98
(c) Profit on sale on Investment	-	4,213.48
(d) Dividend Income	-	13.09
(e) Provisions / Creditors no longer required written back	335.32	234.28
(f) Profit on sale of capital assets (Net of loss on assets sold / scrapped / written off)	10.74	347.09
(g) Miscellaneous Income	27.53	21.05
Total Other Income	**959.81**	**5,371.35**

Note No. 21.a - Cost of materials and services consumed **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract	56,050.33	34,769.87
Development	4,386.30	2,706.91
Incidental borrowing cost incurred attributable to qualifying assets	1,405.26	1,129.17
Cost of materials and services consumed	**61,841.89**	**38,605.95**

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 **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Closing balance of projects under development :		
Completed Units	2,090.45	3,059.01
Projects under Development	37,999.57	37,014.42
	40,090.02	**40,073.43**
Opening 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**
Net (increase) / decrease	**(16.59)**	**272.33**

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Note No. 22 - Employee Benefits Expense (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Salaries and wages, including bonus (Refer Note 31)	2,812.67	3,323.44
(b) Contribution to provident and other funds	170.97	163.98
(c) Share based payment transactions expenses	196.14	304.85
(d) Staff welfare expenses	65.01	26.74
Total Employee Benefit Expense	**3,244.79**	**3,819.01**

Note No. 23 - Finance Cost (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest expense	2,293.19	3,139.11
(b) Other borrowing cost	118.65	130.00
	2,411.84	**3,269.11**
Less: Amounts included in the cost of qualifying assets	(1,405.26)	(1,129.17)
Total finance costs	**1,006.58**	**2,139.94**

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Repairs to buildings	57.96	43.28
(b) Power & Fuel oil consumed	79.49	43.00
(c) Rent including lease rentals	234.33	301.53
(d) Repairs and maintenance - Others	106.17	43.66
(e) Rates and taxes	47.83	13.85
(f) Insurance charges	65.74	32.23
(g) Provision for doubtful debts and advances	309.20	55.10
(h) Provision for diminution in value in investment	-	1,100.00
(i) Auditors remuneration and out-of-pocket expenses		
(1) Audit Fees	35.50	31.00
(2) Limited Review	21.00	19.50
(3) Certification services	-	3.22
(j) Other expenses		
(1) Legal and other professional costs	550.93	612.81
(2) Advertisement, Promotion & Selling Expenses	363.44	86.86
(3) Travelling and Conveyance Expenses	115.40	81.72
(4) Postage and telephone	32.84	35.54
(5) Printing and stationery	19.11	10.38
(6) Brokerage / commission	73.64	113.68
(7) Donations	4.78	4.10
(8) Corporate Social Responsibility Expenditure *(Refer Note 40)*	-	40.00
(9) Bank charges	55.54	36.57
(10) Hire Charges Paid	14.10	24.02
(11) Miscellaneous Expenses	192.45	140.40
(12) loss on investments carried at fair value through profit or loss	-	1.00
Total Other Expenses	**2,379.45**	**2,873.45**

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Vascon Engineers Limited

Notes forming part of the financial statements for the year ended 31st March, 2023

Note No. 25 - Earning Per share

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Per Share	Per Share
Basic Earnings per share (₹)	3.99	1.68
Diluted Earnings per share (₹)	3.99	1.68

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, 2023	For the year ended 31 March, 2022
Profit for the year attributable to owners of the Company	8,662.70	3,349.00
Weighted average number of equity shares (Nos.)	21,73,17,111	19,95,59,036
Earnings per share - Basic (₹)	3.99	1.68

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 31 March, 2023	For the year ended 31 March, 2022
Profit for the year attributable to owners of the Company	8,662.70	3,349.00
Weighted average number of equity shares used in the calculation of Basic EPS (Nos.)	21,73,17,111	19,95,59,036
Employee Stock Option Plans (Nos.)	4,19,628	3,92,684
Weighted average number of equity shares used in the calculation of Diluted EPS (Nos.)	21,77,36,739	19,99,51,720
Earnings per share - Dilutive (₹)	3.99	1.68

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Notes forming part of the financial statements for the year ended 31st March, 2023

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, 2023	March 31, 2022	March 31, 2023	March 31, 2022
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Non - Current Assets				
(i) Investments	10,364.22	14,958.94	10,364.22	14,958.94
(ii) Loans	113.46	105.52	113.46	105.52
(iii) Others Financial Assets	11,370.25	9,877.15	11,370.25	9,877.15
Current Assets				
(i) Trade receivables	14,886.39	10,713.29	14,886.39	10,713.29
(ii) Cash and cash equivalents	4,316.46	1,359.76	4,316.46	1,359.76
(iii) Bank balances other than (ii) above	4,623.24	4,333.31	4,623.24	4,333.31
(iv) Loans	8,641.75	8,429.89	8,641.75	8,429.89
(v) Others Financial Assets	34,108.96	29,709.50	34,108.96	29,709.50
Financial assets measured at fair value through Statement of Profit & Loss				
(a) Current investments	346.59	406.68	346.59	406.68
(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	6,380.80	1,471.86	6,380.80	1,471.86
(ii) Other financial liabilities	888.46	1,280.95	888.46	1,280.95
(iii) Lease Liability	68.74	101.84	68.74	101.84
Current Liabilities				
(i) Borrowings	6,863.00	12,279.05	6,863.00	12,279.05
(ii) Lease Liability	47.18	37.37	47.18	37.37
(iii) Trade and other payables	33,628.99	25,605.72	33,628.99	25,605.72
(iv) Other financial liabilities	164.17	208.18	164.17	208.18

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.

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Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintain policies and procedure to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

(b) Security deposit paid are evaluated by the Company based on parameters such as interest rate non performance risk of the customer. The fair value of the Company's security deposit paid are determined by estimating the incremental borrowing rate of the borrower (primarily the landlords). Such rate has been determined using discount rate that reflects the average interest rate of borrowing taken by similar credit rate companies where the risk of non performance risk is more than significant.

(c) Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.

(d) The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting year. The own non performance risk as at the reporting was assessed to be insignificant.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed , either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents the assets and liabilities measured at fair value on recurring basis at March 31, 2023 and March 31, 2022.

Particulars	Level 1	Level 2	Level 3
March 31, 2023			
Investment in mutual funds	112.59	-	-
Equity	0.11	-	-
Investment in Optionally Convertible Redeemable Debentures	-	-	2,750.00
Zero Coupon, Rupee Denominated, Unrated, Unlisted, Secured Non Convertible Debentures	-	-	-
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	-	-	-

During the year ended Mar 31, 2023, 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.

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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 or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 20% to 50%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	13,295.39	13,811.48
Trade Payables	33,628.99	25,605.72
Less : Cash and Cash Equivalents	8,939.70	5,693.07
Net Debt	**37,984.68**	**33,724.13**
Equity	89,448.48	80,493.15
Total Capital	**89,448.48**	**80,493.15**
Capital and Net Debt	**1,27,433.16**	**1,14,217.28**
Gearing Ratio	**30%**	**30%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the Year Ended March 31, 2023 and Year Ended March 31, 2022.

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 ₹ 68,965.71 lakhs and ₹ 58,207.53 lakhs as at March 31, 2023 and March 31, 2022 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.

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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, 2023 and March 31, 2022, 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.

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, 2023	As at March 31, 2022
Balance at the beginning of the year	2,612.91	2,557.82
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	338.73	71.30
Utilization / Reversals	(29.53)	(16.20)
Balance at the end of the year	**2,922.12**	**2,612.91**

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-23		
	Less than 1 Year	1-3 Years	4-5 Years
Financial liabilities			
Trade payables	33,628.99	-	-
Other Financial Liabilities	164.17	888.46	-
Working capital demand loans / Term loans	6,863.00	6,380.80	-
Zero Coupon, Rupee denominated, Unrated, Unlisted, Secured, Non Convertible Debentures	-	-	-

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	-	-	-

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.

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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 2022-23	FY 2021-22
Options granted, beginning of the year	40,00,000	80,00,000
Granted during the year	-	40,00,000
Exercised during the year	-	40,00,000
Cancelled/lapsed during the year	-	-
Options granted, end of the year	40,00,000	40,00,000
Weighted Average remaining life	-	0.42

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%

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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, 2023	As at 31st March, 2022
Opening Balance as on 1st April 2022	139.21	103.83
Additions during the year	14.06	135.24
Deletion during the year	-	-
Finance costs incurred during the year	15.43	14.26
Payments of Lease Liabilities	52.78	114.12
Balance as at 31st March, 2023	**115.92**	**139.21**

(ii) The carrying value of the Rights-of-use and depreciation charged during the year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note -3 "Property, Plant & Equipments & Intangible Assets".

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Expenses related to Short Term Lease & Long Term Lease		
- Finance Cost	15.43	14.26
- Depreciation	33.26	28.51
(ii) Expenses related to Short Term Lease & Low Asset Value Lease	248.43	325.55
Total Expenses	**297.12**	**368.33**

(iv) Maturity analysis of lease liabilities

Particulars	As at 31st March, 2023	As at 31st March, 2022
Maturity Analysis of contractual undiscounted cash flows		
Less than one year	53.62	47.38
One to five years	73.68	116.44
More than five years	-	-
Total undiscounted Lease Liability	**127.30**	**163.82**
Balances of Lease Liabilities		
Non Current Lease Liability	68.74	101.84
Current Lease Liability	47.18	37.37
Total Lease Liability	**115.92**	**139.21**

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Vascon Engineers Limited

Notes forming part of the financial statements for the year ended 31st March, 2023

Note No. 30 - Contingent liabilities and commitments

(₹ in Lakhs)

Contingent liabilities (to the extent not provided for)	As at March 31, 2023	As at March 31, 2022
Contingent liabilities		
(a) Disputed demands for Income Tax	-	233.33
(b) Disputed demands for Value Added Tax & Other	1,450.78	1,153.84
(c) Performance and financial guarantees given by the Banks on behalf of the Company	15,646.82	15,174.99
(d) Corporate guarantees given for other companies / entities and mobilization	13,237.19	11,577.19
(e) Claims against the Company not acknowledged as debt	2,971.62	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) During the year company paid the challan with 90% penalty waiver to Joint District Registrar & Collector of Stamps , Pune. Now NIL short levy of stamp duty including Penalty due to misclassification of conveyance deed as development agreement (Previous year ₹ 20.14 lakhs).		
(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. In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 87.80 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 3 lakhs per month from the date of breach till the date of curing the breach. In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also recived the Court Order for the same. In the Current Financial Year, there were various compliances performed by Company including pending litigations bearing No. SPCS - 745/10. Company have complied with each & every compliance. Now this stage of execution of final conveyance has remained. Company has received a draft of the said conveyance deed, which is under finalisation stage by both the parties inter se.		
(vi) In earlier years Vascon Dwelling Private Limited (Merged Company) has transferred Development rights in respect of plot of land admeasuring 3,940 sq mtrs for a consideration of ₹ 295.50 lakhs In respect of the above land one of the original co-owner has filed special civil suit before the Hon'ble Civil Court, Division Nashik against the other co-owners and purchaser of land from whom the company has purchased the said land. As per the conditional sale the company has to obtain clear enforceable title and to obtain certain permission/clearance within 18 months of the execution of the agreement. In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 68.95 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and in addition to that penalty of ₹ 2.35 lakhs per month from the date of breach till the date of curing the breach. In the Previous Financial Year, the plaintiffs have waived their demands and settled the issues with company. We have to that effect have filed consent terms / compromise terms in the said suit and the matter has been settled. Company also recived the Court Order for the same. In the Current Financial Year, there were various compliances performed by Company including pending litigations bearing No. SPCS - 745/10. Company have complied with each & every compliance. Now this stage of execution of final conveyance has remained. Company has received a draft of the said conveyance deed, which is under finalisation stage by both the parties inter se.		

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(vii) In earlier years Vascon Dwelling Private Limited (Merged Company) has entered into agreement for sale in respect of plot of land admeasuring 11,377 sq mtrs for a consideration of ₹ 853.35 lakhs

The company is under obligation to obtain tentative layout approval from corporation, which is subject to new Development Plan to be issued by the corporation.

In case the company is unable to obtain the permission/clearance the Transferee has right either to terminate the Development Agreement in which case the company will have to refund the sale consideration received amounting to ₹ 100 lakhs along with interest @ 18% p.a. from the date of disbursement of the amount till the date of refund. Alternatively, the Transferee will have right for specific performance along with interest @ 18% p.a. from the date on which amount has been disbursed till the date of curing the breach of contract and right to claim damages.

In respect of the above three agreement to sale of plots the company has recognised the sales amounting to ₹ 1,525.12 lakhs and profit of ₹ 659.67 lakhs. As on date of the balance sheet the company has not received any notice from the purchaser/transferee for termination of the agreement or claiming any interest/compensation.

In the Previous financial year the Company obtained NA Order for the land admeasuring about 16950 sq.mtrs., which includes and excess land admeasuring about 1473 sq.mtrs., has also been exempted and have become free hold now final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed and the necessary effect to the 7/12 extract required to be effected.

In the Current Financial year there were various site related compliances remained to be completed by Company. Out of which most of the compliances Company had completed. Now few more compliances have remained to be completed those are as follows :

a) final layout has remained so also development of portion of land admeasuring about 4000 sq.mtrs., which the Original owners have kept with them, has remained to be developed

b) during pendency of our development activities the adjacent owner/ developer of the land bearing S.No. 113/2B part, adm. about 10,000.00 sq.mtrs., has encroached on our plot of land to the tune of adm. about 300.00 sq.mtrs., of an area for which removal of the said encroachment, we have filed Spl. Civil Suit against the said land owners / developers in the Civil Court Nashik, which is pending for compliance by the Defendant developer.

During the process of our compliance Ashoka Infraways had filed a Spl. Civil Suit against Vascon for specific performance for non compliance of various agreed things as per various terms of development agreement. Since Vascon have complied with all terms & conditions as per the said Development Agreement and due to amicable settlement arrived between the parties, Ashoka Infraways have withdrawn the said Spl. Civil Suit unconditionally.

c) after demarcating the said land adm. about 16950.00 sq.mtrs., (inclusive of portion of land adm. about 4000.00 sq.mtrs., remained to be develop for owners) the entier plot will be divided in to various sub plots and accordingly the ultimate effect will be given to the said 7/12 extract.

(f) Tax department initiated prosecution u/s 276B of the Income Tax Act and filed a Court complaint for AY 2016-17 and 2017-18. Vascon paid all the TDS dues along with applicable interest and penalty for late filing there on and applied vide letter dt. 20th December 2019 to the Chief Commissioner of Income tax. Pune for Compounding of offences. Such application of Compounding is pending for disposal with the Chief Commissioner of Income Tax Pune. The amount w.r.t. the above proceeding is not quantifiable

For Development projects and according to the

Pending final decision and interim stay granted by the Hon'ble High Court of Bombay in case of MCHI, the Company , has in case of certain development projects, neither collected nor paid Maharashtra Value Added Tax and in case of certain development projects, has paid Maharashtra Value Added Tax

Particulars	(₹ in Lakhs)	
	As at 31 March, 2023	**As at 31 March, 2022**
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1,636.98	1,535.60

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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 ₹ 160.27 lakhs for Provident Fund contributions (March 31, 2022 : ₹ 155.01 lakhs) and ₹ 10.70 lakhs (March 31, 2022 : ₹ 8.97 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, 2023 **(₹ in Lakhs)**

Particulars	Funded Plan	
	Gratuity	
	2023	2022
Service Cost		
Current Service Cost	89.20	88.78
Past service cost and (gains)/losses from settlements	-	-
Net interest expense	56.47	51.69
Components of defined benefit costs recognised in profit or loss	145.67	140.47
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	0.16	0.13
Actuarial gains and loss arising from changes in financial assumptions	(20.28)	(7.84)
Actuarial gains and loss arising from experience adjustments	(76.22)	(6.95)
Actuarial gains and loss arising from demographic adjustments	-	-1.95
Others (describe)		
Components of defined benefit costs recognised in other comprehensive income	(96.34)	(16.62)
Total	**49.33**	**123.85**
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	785.43	931.73
2. Fair value of plan assets as at 31st March	34.92	15.63
3. Surplus/(Deficit)	(750.52)	(916.10)
4. Current portion of the above	750.52	916.10
5. Non current portion of the above	34.92	15.63
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	(931.72)	(872.12)
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	(89.20)	(88.78)
- Past Service Cost		
- Interest Expense (Income)	(58.32)	(54.51)
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	1.95
ii. Financial Assumptions	20.28	7.84
iii. Experience Adjustments	76.22	6.95
5. Benefit payments	197.30	66.94
6. Others (Specify)		
7. Present value of defined benefit obligation at the end of the year	**(785.44)**	**(931.72)**

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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	15.63	69.93
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	-	-
3. Expenses Recognised in Profit and Loss Account		
- Expected return on plan assets	1.84	2.82
- Mortality Charges and Taxes	(3.82)	(4.04)
4. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	(0.16)	(0.13)
5. Contributions by employer (including benefit payments recoverable)	34.11	13.98
6. Benefit payments	(12.68)	(66.94)
7. Fair value of plan assets at the end of the year	**34.92**	**15.63**
IV. The Major categories of plan assets (As % of Total Plan Assets)		
Funds Managed By Insurer	100%	100%
V. Actuarial assumptions		
1. Discount rate	7.40%	7.00%
2. Expected rate of return on plan assets	7.00%	6.50%
3. Attrition rate	7.00%	7.00%

Maturity Profile of Defined Benefit Obligation:

For the Year Ended March 31, 2023	Expected Benefit Payment Rounded to the nearest thousand (in ₹)
2024	1,77,85,000
2025	74,33,000
2026	85,65,000
2027	87,06,000
2028	1,13,12,000
2029-2033	5,15,04,000

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-23	31-Mar-22	31-Mar-23	31-Mar-22
Defined Benefit Obligation	738.88	882.13	838.12	988.06

B. Effect of 1 % change in the assumed Salary Escalation Rate	1% Increase		1% Decrease	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Defined Benefit Obligation	822.08	970.37	751.81	896.04

C. Effect of 1 % change in the assumed Withdrawal Rate	1% Increase		1% Decrease	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Defined Benefit Obligation	786.91	932.39	783.90	931.09

VIII. Experience Adjustments:	Year Ended	
	2023	2022
	Gratuity	
1. Defined Benefit Obligation	(785.44)	(931.72)
2. Fair value of plan assets	34.92	15.63
3. Surplus/(Deficit)	(750.52)	(916.10)
4. Experience adjustment on plan liabilities [(Gain)/Loss]	(76.22)	(6.95)
5. Experience adjustment on plan assets [Gain/(Loss)]	0.29	0.17

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.

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Vascon Engineers Limited

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 *(Stiked off wef 05.10.22)*

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
- DCS Conventions and Hospitality Private Limited *(w.e.f 17.10.2021)*
- Vascon Developers LLP *(w.e.f 6th Oct 2022)*
- Mumbai Estate Private Limited

4. Key Management Personnel
- Mr R. Vasudevan
- Mr. Siddarth Vasudevan
- Dr Santosh Sundararajan
- Mr. Somnath Biswas
- Ms. Sarita Rameshlal Ahuja *(w.e.f 01-02-2023)*
- Ms.Vibhuti Dani *(resigned w.e.f 31-01-2023)*
- 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. S Balasubramanium *(appointed 26th Nov 2021)*
- Ms. Tara Subramanium *(appointed 03rd Mar 2023)*

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
- Conamore Resorts Pvt Ltd.
- Rose Premises Pvt Ltd
- One Stop Shop India P Ltd
- Deep Advisory Services
- Space Centric Marketing & Construction Consultancy Pvt Ltd

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(₹ in Lakhs)

II Related party transactions		As at Mar 31, 2023	As at March 31, 2022
(a)	**Sales and work**	**3,041.18**	**1,128.77**
	Joint Ventures		
	Phoenix Ventures	-	263.73
	Cosmos Premises Private Limited	0.00	-11.46
	Ajanta Enterprises	706.74	242.03
	Total	**706.74**	**494.29**
	Key management Personnel		
	Mr.Mukesh Malhotra	3.44	1.55
	Dr Santosh Sundararajan	2.63	1.18
	Total	**6.06**	**2.73**
	Enterprise where KMP & Relatives of KMP significant influence		
	Cherry Constructions Private Limited.	1,428.37	631.75
	Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	900.00	-
	Total	**2,328.37**	**631.75**
(b)	**Interest Income/commission Received**	**243.20**	**179.22**
	Subsidiaries		
	Interest		
	Marathawada Realtors Private Limited	8.83	8.29
	River Shore Developer Private Limited	108.20	64.40
	Commission		
	GMP Technical Solutions Private Limited	10.71	10.79
	Total	**127.74**	**83.48**
	Joint Venture		
	Ajanta Enterprises	-	51.08
	Vascon Developers LLP	101.84	-
		101.84	**51.08**
	Enterprise where KMP & Relatives of KMP significant influence		
	- Conamore Resorts Pvt Ltd.	13.62	44.66
		13.62	**44.66**
(c)	**Interest Expense /commission Paid**	**237.54**	**245.84**
	Subsidiaries		
	Interest		
	Almet Corporation Limited	2.21	3.76
	Marathawada Realtors Private Limited	-	0.03
	Commission		
	GMP Technical Solutions Private Limited	63.50	70.75
	Total	**65.71**	**74.54**
	Joint Venture		
	Ajanta Enterprises	28.36	-
	Total	**28.36**	-
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	57.30	71.51
	Hamcon Engineers Pvt Limited	13.30	7.77
	Space Centric Marketing & Construction Consultancy Pvt Ltd	-	-
	Sira Assets LLP	72.88	92.02
	Total	**143.47**	**171.30**
(d)	**Purchase of Goods / Work/Rent**	**3,831.39**	**871.15**
	Subsidiaries		
	Marvel Housing Private Limited.	617.65	429.63
	GMP Technical Solution Pvt Ltd	-	10.58
	Total	**617.65**	**440.21**
	Joint Venture		
	Ajanta Enterprises	-	8.62
	Total	-	**8.62**
	KMP		
	Ms. Sowmya Aditya Iyer	11.48	2.38
	Total	**11.48**	**2.38**

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	Enterprise where KMP & Relatives of KMP significant influence		
	Purchase of Property Plant & Equipment		
	Flora Facilities Private Limited	2,252.80	-
	Rent		
	Flora Facilities Private Limited	129.73	222.39
	Deep Advisory Services	57.00	-
	Lalitha Vasudevan	23.52	4.62
	Works		
	Stresstech Engineers Private Limited	564.20	6.25
	Conamore Resorts Pvt Ltd.	-	10.00
	Vastech Consultants Private Limited	30.60	30.60
	Vastech Consultants & Engineers LLP	144.42	146.09
	Total	**3,202.26**	**419.95**
(e)	**Receiving of Services**	**901.13**	**1,137.58**
	Subsidiaries		
	Key Management Personnel		
	Mr R Vasudevan		
	a) Short term benefits	-	1.67
	b) Post Employment benefits*	184.62	-
	Dr Santosh Sundararajan		
	a) Short term benefits **	271.67	271.67
	b) Post Employment benefits*	18.25	18.25
	c) Share based payments	-	129.55
	Mr. Somnath Biswas **		
	a) Short term benefits	61.28	61.28
	b) Post Employment benefits*	5.46	5.46
	c) Share based payments	-	35.08
	Mr. Siddharth Vasudevan **		
	a) Short term benefits	304.83	280.19
	b) Post Employment benefits*	13.49	12.33
	Mr. Rajesh Dilip Mhatre **		
	a) Short term benefits	-	134.73
	b) Post Employment benefits*	-	15.94
	c) Share based payments	-	129.55
	Ms. Sarita Rameshlal Ahuja		
	a) Short term benefits	2.19	-
	b) Post Employment benefits*	0.29	-
	Ms. Vibhuti Darshin Dani		
	a) Short term benefits	22.52	23.29
	b) Post Employment benefits*	3.17	0.46
	Total	**887.75**	**1,119.45**

*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	147.96	217.38
b) Mr. Somnath Biswas	26.97	40.64
c) Mr. Rajesh Dilip Mahtre	-	56.03
d) Mr. Siddharth Vasudevan	161.72	148.37
	336.66	**462.41**

During the current & previous financial year short term employment benefits represents Net of Tax salary received by KMP.

	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	13.38	18.13
	Total	**13.38**	**18.13**
(f)	**Share of Profit from AOP/Firm**	**1,946.86**	**390.68**
	Joint Ventures		
	Phoenix Ventures	3.94	7.72
	Ajanta Enterprises	1,942.92	382.96
	Total	**1,946.86**	**390.68**
(g)	**Share of Loss from AOP/Firm**	**0.83**	-
	Joint Ventures		
	Ajanta Enterprises	-	-
	Vascon Developers LLP	0.83	
	Total	**0.83**	-
(h)	**Reimbursement of expenses**	**1.37**	**4.16**

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	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	1.37	4.16
		1.37	**4.16**
(i)	**Finance Provided (Including equity contributions in cash or in kind)/repayment of loan/repayment of fixed deposit**	**3,994.95**	**4,420.44**
	Subsidiaries		
	Marvel Housing Private Limited	1.29	-
	Marathawada Realtors Private Limited	-	104.00
	Vascon Value Homes Private Limited	31.64	-
	Rivershore Developer Private Limited	121.37	2,118.00
	Almet Corporation Limited	0.45	58.50
	Total	**154.75**	**2,280.50**
	Joint Ventures		
	Mumbai Estate Private Limited	-	10.00
	Total	-	**10.00**
	Joint Ventures		
	Phoenix Ventures	2.47	100.00
	Ajanta Enterprises	-	450.00
	Total	**2.47**	**550.00**
	Enterprise where KMP & Relatives of KMP significant influence		
	Hamcon Engineers Pvt Ltd	7.60	-
	Daffodil Projects Pvt Ltd	0.11	-
	Conamore Resorts Pvt Ltd.	2,050.55	402.64
	Sira Assets LLP	340.00	275.00
	Stresstech Engineers Private Limited	43.00	-
	Flora Facilities Private Limited	768.07	788.00
	Total	**3,209.33**	**1,465.64**
	Key Management Personnel		
	Mr. R. Vasudevan	628.40	114.30
	Total	**628.40**	**114.30**
(j)	**Finance availed /Received back(including equity contributions in cash or in kind)**	**3,557.11**	**3,443.63**
	Subsidiary		
	GMP Technical Solution Pvt Ltd	-	150.00
	GMP Technical Solution Pvt Ltd (Preference Share Redemption)	-	410.00
	Vascon EPC Limited	-	2.00
	Total	-	**562.00**
	Joint Ventures		
	Phoenix Venture	-	38.00
	Vascon Developers LLP	127.50	-
	Ajanta Enterprises	1,087.69	1,057.39
	Total	**1,215.19**	**1,095.39**
	Enterprise where KMP & Relatives of KMP significant influence		
	Flora Facilities Private Limited	463.50	619.50
	SIRA ASSETS LLP	-	346.00
	Hamcon Engineers Pvt Ltd	89.30	50.00
	Daffodil Projects Pvt Ltd	-	2.98
	Space Centric Marketing & Construction Consultancy Pvt Ltd	-	17.00
	Rose Premsies Pvt Ltd	1,700.00	-
	One Stop Shop India Pvt Ltd	14.12	150.00
	Conamore Resorts Pvt Ltd.	75.00	352.73
	Total	**2,341.92**	**1,538.22**
	Key Management Personnel		
	Mr. R. Vasudevan	-	248.02
	Total	**-**	**248.02**
(k)	**Outstanding corporate / bank guarantees given**	**5,737.19**	**4,077.19**
	Subsidiaries		
	GMP Technical Solution Private Limited	5,737.19	4,077.19
	Total	**5,737.19**	**4,077.19**
(l)	**Outstanding as on**		
	A) Receivable to Vascon Engineers Limited	**12,708.42**	**9,901.46**
	Subsidiaries	**292.68**	**2,418.71**
	a) Trade Recivable		
	Rivershore Developers Private Limited	-	1.65
	GMP Technical Solution Private Limited	95.38	84.67

Total	**95.38**	**86.32**
b) Loans & Advances / Project Advances		
Vascon Value Homes Private Limited	31.64	-
Rivershore Developers Private Limited	-	2,175.96
Marathawada Realtors Private Limited	113.46	105.52
Marvel Housing Private Limited	52.21	50.92
Total	**197.31**	**2,332.39**
Joint Ventures	**5,302.86**	**1,136.27**
a) Trade Receivable		
Phoenix Ventures	591.11	762.86
Total	**591.11**	**762.86**
b) Loans & Advances		
Phoenix Ventures	1.69	-
Total	**1.69**	**-**
c) Balance in current accounts		
Phoenix Ventures	377.35	373.41
Vascon Developers LLP	4,332.72	-
Total	**4,710.07**	**373.41**
Associates	**2,573.00**	**2,573.00**
a) Loans & Advances (Including deposits and trade advances)		
Mumbai Estate Private Limited	2,573.00	2,573.00
Total	**2,573.00**	**2,573.00**
Enterprise where KMP & Relatives of KMP significant influence	**4,316.83**	**3,553.04**
a) Trade Receivable		
Flora Facilities Private Limited (Formerly known as Flora Premises Private Limited)	518.20	189.86
Stresstech Engineers Private Limited	-	56.79
Daffodil Projects Pvt Ltd	424.28	424.28
Mrs. Lalitha Vasudevan	3.35	-
Rose Premsies Pvt Ltd	0.65	0.65
Cherry Constructions Private Limited	555.09	214.99
Total	**1,501.57**	**886.58**
b) Loans & Advances (Including deposits and trade advances)		
Flora Facilities Private Limited	-	125.00
CONAMORE RESORTS PVT LTD.	2,246.89	259.08
Daffodil Projects Pvt Ltd	7.89	7.78
Rose Premsies Pvt Ltd	19.75	1,719.75
One Stop Shop India Pvt Ltd	156.23	170.35
Venus Ventures	384.50	384.50
Total	**2,815.26**	**2,666.46**
Key Management Personnel	**223.05**	**220.44**
a) Trade Receivable		
Mr. R. Vasudevan	3.34	3.34
Ms. Sowmya Aditya Iyer	1.65	-
Mr.Santosh Sundararajan	12.06	11.10
Total	**17.05**	**14.44**
b) Loans & Advances (Including deposits and trade advances)		
Mr. Mukesh Malhotra	206.00	206.00
	206.00	**206.00**
B) Receivable from Vascon Engineers Limited	**2,509.02**	**4,907.34**
Subsidiaries	**1,109.55**	**890.29**
a) Trade Payable		
Marvel Housing Private Limited	159.42	89.44
GMP Technical Solution Pvt Ltd	924.50	774.57
Total	**1,083.92**	**864.01**
b) Loans & Advances		
Almet Corporation Limited	25.63	26.28
Total	**25.63**	**26.28**
Joint Venture	**127.60**	**1,838.99**
a) Trade Payable		
Ajanta Enterprises	14.98	14.98
Total	**14.98**	**14.98**
b) Loans & Advances		
Phoenix Ventures	-	1.15
Cosmos Premises Private Limited	-	60.09
Total	**-**	**61.24**

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c) Balance in current accounts		
Ajanta Enterprises	112.63	1,762.77
Total	**112.63**	**1,762.77**
Key Management Personnel	**147.08**	**777.63**
a) Trade Payable		
Ms. Sowmya Aditya Iyer	-	2.14
Mr. Mukesh Malhotra	136.76	136.76
	136.76	**138.91**
b) For Deposit Received		
Mr. R Vasudevan	10.32	638.72
Total	**10.32**	**638.72**
Enterprise where KMP & Relatives of KMP significant influence	**1,124.78**	**1,400.43**
a) Trade Payable		
Flora Facilities Private Limited ((Formerly known as Flora Premises Private Limited))	-	66.16
Deep Advisory Services	47 42	16.20
Stresstech Engineers Private Limited	201.81	5.25
Vastech Consultants & Engineers LLP	124.71	103.80
Vastech Consultants Private Limited	70.11	37.06
Mrs. Lalitha Vasudevan	-	4.16
CONAMORE RESORTS PVT LTD.	9.00	9.00
Space Centric Marketing & Construction Consultancy Pvt Ltd	33.99	34.52
Total	**487.04**	**276.14**
b) Loans/(Advances)		
Flora Facilities Private Limited	21.29	326.20
Hamcon Engineers Pvt Limited	221.56	128.79
Sira Assets LLP	394.89	669.30
Total	**637.74**	**1,124.29**

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, 2023

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Vascon Engineers Limited
Notes forming part of the financial statements for the year ended 31st March, 2023

Note 34 Key Ratios

Ratios	Numerator	Denominator	31st March, 2023	31st March, 2022	% Variance	Reason for Variance
(a) Current Ratio	Current Assets	Current Liablities	2.12	1.89	0.12	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	0.15	0.17	-0.13	reduction in borrowings from the 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)	0.77	0.44	0.76	Reduction in debt and corresponding reduction in interest cost improves EBITA
(d) Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's Equity	9.68	4.16	1.33	Increase in Profit after tax as compared to last year resultant improves the ratio
(e) Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	1.41	0.88	0.59	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	6.00	4.17	0.44	Improved turnover ratio on account of improved collection from debtor
(g) Trade payables turnover ratio,	Net Purchase during the Year	Average Trade Payables	2.09	1.64	0.27	
(h) Net capital turnover ratio,	Sale of Products	Working Capital	1.24	0.96	0.29	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	0.11	0.07	0.56	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)"	9.99	6.66	0.50	Incresase is on account of positive EBIT for the year in compare to EBIT previous year.
(k) Return on investment	Income on Investment	Cost of Investment	0.18	1.43	-0.87	Decreased becasue of Sale of Mutual Fund

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Notes - Additional Information to the Financial Statements **(₹ in Lakhs)**

35 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	March 31, 2023	March 31, 2022
(i) Principal amount remaining unpaid to MSME suppliers as on	84.48	1.90
(ii) Interest due on unpaid principal amount to MSME suppliers as on	19.57	12.29
(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)	7.28	1.37
(v) The amount of interest accrued and remaining unpaid as on	19.57	12.29
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	7.28	1.37

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, 2023	Maximum balance outstanding during the year
Marathawada Realtors Pvt. Ltd	Subsidiary	113.46 (105.52)	113.46 (105.52)
Rivershore Developers Pvt Ltd	Subsidiary	- (2,175.96)	- (2,175.96)
Vascon Developers LLP		4,332.72 (-)	4,332.72 (-)
Phoenix Ventures Current A/c	Joint Venture	379.04 (378.58)	379.04 (378.58)

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.

(₹ in Lakhs)

39 Disclosure of particulars of contract revenue	March 31, 2023	March 31, 2022
Contract Revenue Recognized during the year	64,936.83	40,928.78
Contract costs incurred during the year	56,050.33	34,769.87
Recognized Profit	8,886.50	6,158.92
Advances received for contracts in progress	(4,130.81)	(5,389.55)
Retention money for contracts in progress	6,166.60	4,525.55
Gross amount due from customer for contract work (assets)	29,322.64	25,091.11
Gross amount due to customer for contract work (liability)	1,959.31	1,436.72

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 - NIL*

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	-	-	

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	(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.

* The Company was required to spend an amount of Rs. 23.58 lakhs in the financial year 2022-23 based on the Average Annual Profits of the Company for preceding 3 three years. However, the Company had already spent an excess amount of Rs. 29.69 lakhs in the Financial Year 2021-22

41 Benami Property

There are no any proceeding initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

42 The Company has borrowings from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

43 Wilful Defaulter

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

44 Relationship with Struck off Companies

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

45 Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

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

For and on behalf of the Board of Directors

Siddharth Vasudevan
Managing Director
(DIN-02504124)

Mukesh Malhotra
Director
(DIN-00129504)

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

Sarita Ahuja
Company Secretary & Compliance Officer

Somnath Biswas
Chief Financial Officer

Sharp & Tannan Associates
Chartered Accountants
ICAI Regn.No. 109983W

Date : 15 May, 2023
Place : Pune