

Ref: VEL/2022-23

28th November, 2022

BSE LIMITED P. J. Towers, Dalal Street, Mumbai - 400 001 SCRIP CODE 532389	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 VALECHENG
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Dear Sir/Madam,

Sub: Outcome of Board Meeting held on Monday, 28th November, 2022

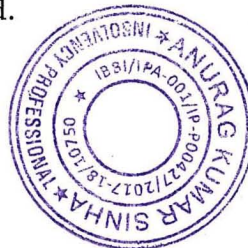
Ref: Our Letter No. VEL/22-23 dated 18th November, 2022

Pursuant to appointment of the Interim Resolution Professional (IRP), by the Hon'ble National Company Law tribunal (NCLT) Mumbai vide order dated 31.10.2022 and in accordance with the provisions of the Insolvency and Bankruptcy Code 2016(code) and Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any I Mr. Anurag Kumar Sinha, a Registered Insolvency Resolution Professional having Registration Number [IBBI/IPA-001/IP-P00427/2017-18/10750] the ^{Interim} Resolution Professional submit the Unaudited Financial Result (Standalone and Consolidated) of the Company, for the **2nd Quarter and half year ended 30th September, 2022** along with the Limited Review Report of the Auditors of the Company.

Further, the Unaudited Financial Result (Standalone and Consolidated) of the Company, for the 2nd Quarter and half year ended 30th September, 2022 has been signed by the ~~Director~~ of the Company

Interim Resolution Professional
We request you to kindly take the above on record.

Thanking You,
Yours Faithfully,



Anurag Sinha
(Anurag Kumar Sinha) *Interim*
Registered Insolvency Resolution Professional of Valecha Engineering Limited
[IBBI/IPA-001/IP-P00427/2017-18/10750]
Address: 3602 Redwood, Runwal Greens,
Mulund, Goregaon Link Road
Bhandup (west) Mumbai 400078

VALECHA ENGINEERING LIMITED



(An ISO 9001-2015 Company)

CIN : L74210MH1977PLC019535

Regd. Office : Valecha Chambers, 4th Floor, Andheri New Link Road, Andheri (West), Mumbai - 400 053.

Email : ho@valecha.in

Website : valechaeng.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(₹ in Crores) Except EPS

Sr. No.	PARTICULARS	For the quarter ended on			For the year ended on		For the year ended on
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from Operations	27.85	14.00	53.11	41.85	119.18	230.81
	(b) Other Income	0.69	0.84	1.39	1.53	2.25	7.96
	Total Income	28.54	14.84	54.50	43.38	121.43	238.77
2	Expenses						
	a. Construction Expenses	27.51	12.94	50.84	40.45	114.42	226.16
	b. Changes in inventories	-	0.03	(0.04)	0.03	0.70	1.08
	c. Employees Benefits Expense	1.19	1.54	1.34	2.73	2.69	5.62
	d. Finance costs	0.08	0.02	0.16	0.10	0.19	0.21
	e. Depreciation and amortization Expenses	0.13	0.13	0.10	0.26	0.19	0.40
	f. Other Expenses	1.19	0.61	0.76	1.80	1.21	2.97
	Total Expenses	30.10	15.27	53.16	45.37	119.40	236.44
3	Profit / (Loss) before share of net profit/(loss) of an associate/ a joint venture and Exceptional Items (1-2)	(1.56)	(0.43)	1.33	(1.99)	2.02	2.33
4	Share of net profit/(loss) of an associate/ a joint venture	-	-	-	-	-	-
5	Profit / (Loss) before Exceptional Items and tax (3+4)	(1.56)	(0.43)	1.33	(1.99)	2.02	2.33
6	Exceptional Items	-	-	-	-	-	-
7	Profit / (Loss) before tax (5-6)	(1.56)	(0.43)	1.33	(1.99)	2.02	2.33
8	Tax Expense						
	(a) Current Tax (Including earlier year taxation)	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	-
9	Profit / (Loss) for the Period (7-8)	(1.56)	(0.43)	1.33	(1.99)	2.02	2.33
10	Other Comprehensive Income (OCI)						
	(a) i. Items that will not be reclassified to profit or loss	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	0.17
	ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
	(b) i. Item that will be reclassified to profit or loss	0.92	1.02	(0.02)	1.94	0.29	0.72
	ii. Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	0.91	1.01	(0.03)	1.92	0.27	0.89
11	Total Comprehensive Income for the period (9+10)	(0.65)	0.58	1.30	(0.07)	2.29	3.22
12	Net Profit/(Loss) attributable to :						
	Shareholders of the Company	-	-	-	-	-	-
	Non-Controlling interest	-	-	-	-	-	-
13	Other Comprehensive Income attributable to :						
	Shareholders of the Company	-	-	-	-	-	-
	Non-Controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income attributable to :						
	Shareholders of the Company	-	-	-	-	-	-
	Non-Controlling interest	-	-	-	-	-	-
15	Paid-up Equity Share Capital (Face Value ₹ 10/-)	22.53	22.53	22.53	22.53	22.53	22.53
16	Other Equity Excluding Re-valuation Reserves						16.85
17	Earning Per Share (of ₹ 10/- each) (not annualised).						
	(i) Basic earnings (loss) per share	(0.69)	(0.19)	0.59	(0.88)	0.90	1.03
	(ii) Diluted earnings (loss) per share	(0.69)	(0.19)	0.59	(0.88)	0.90	1.03
	See accompanying note to the Financial Results						

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VALECHA ENGINEERING LIMITED		
(An ISO 9001-2008 Company) CIN : L74210MH1977PLC019535		
Regd. Office : Valecha Chambers, 4 th Floor, Andheri New Link Road, Andheri (West), Mumbai - 400 053.		
Email : ho@valecha.in Website : valechaeng.com		
STANDALONE BALANCE SHEET		
(₹ in Crores)		
Particulars	STANDALONE	
	As at 30th September 2022	As at 31st March 2022
	(Unaudited)	(Audited)
ASSETS		
Non Current Assets		
(a) Property, Plant & Equipment	2.42	2.60
(b) Right of use assets	-	0.05
(c) Investment Property	1.72	1.74
(d) Financial Assets		
(i) Investments	42.10	42.07
(ii) Loans	-	-
(iii) Other Financial Assets	34.71	40.59
(e) Other Non-Current Assets	9.12	11.64
Total Non Current Assets	90.07	98.69
Current Assets		
(a) Inventories	0.01	0.03
(b) Financial Assets		
(i) Other Investments	-	-
(ii) Trade Receivables	230.66	228.98
(iii) Cash & Cash Equivalents	3.77	5.60
(iv) Bank Balances other than (iii) above	4.27	4.18
(v) Loans	377.74	375.76
(vi) Other Financial Assets	5.69	5.51
(c) Deferred Tax Assets (Net)	-	-
(d) Current Tax Assets (Net)	-	-
(e) Other Current Assets	79.35	84.18
Total Current Assets	701.49	704.24
Total Assets	791.56	802.93
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	22.53	22.53
(b) Other Equity	16.78	16.85
Equity Attributable to Shareholders of the Company	39.31	39.38
Non-Controlling Interest	-	-
Total Equity	39.31	39.38
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	30.78	30.78
(ii) Other Financial Liabilities	66.99	71.41
(b) Provisions	0.13	0.13
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	-	-
Total Non Current Liabilities	97.90	102.32
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	467.56	467.56
(ii) Trade Payables	-	-
- Total outstanding dues of micro enterprises and small enterprises; and	0.02	0.15
- Total outstanding dues of creditors other than micro enterprises and small enterprises	68.30	72.15
(iii) Other Financial Liabilities	112.99	113.05
(b) Other Current Liabilities	4.67	7.56
(c) Provisions	0.81	0.76
(d) Current Tax Liabilities (Net)	-	-
Total Current Liabilities	654.35	661.23
Total Equity & Liabilities	791.56	802.93



Standalone Statement of Cash Flow for the half year ended September 30, 2022

(Rupees in Crores)

Particulars	Half Year Ended September 30, 2022 (Unaudited)	Half Year Ended September 30, 2021 (Unaudited)
A. Cash flow from Operating activities		
Profit Before Tax	(1.99)	2.02
Add / (Deduct) Adjustment for :		
Depreciation and Amortization Expense	0.26	0.19
Finance Cost	0.10	0.19
Interest Income	(0.82)	(1.71)
Re-measurement of defined benefit plans	(0.02)	(0.02)
Re-measurement of gain/(loss) of investment/advances in foreign subsidiary	1.94	0.29
Rental income from Investment Properties	(0.40)	(0.49)
Operating Profit/ (Loss) before Working Capital changes	(0.93)	0.47
Changes in Working Capital:		
Adjustment for (increase) / decrease in operating assets:		
Decrease in Inventories	0.03	0.70
(Increase)/ Decrease in Trade Receivable	(1.68)	6.16
(Increase) / Decrease Loans	(1.99)	(2.90)
(Increase)/ Decrease in other current assets and non-current financial assets	10.44	8.25
Adjustment for (increase) / decrease in operating liabilities:		
Increase/ (Decrease) in Trade Payables	(3.98)	(22.03)
Increase/(Decrease) in other current and financial liabilities (non-current)	(7.36)	(12.68)
Increase/ (Decrease) in Provisions	0.04	0.04
Cash Generated From / (used in) Operations	(5.43)	(21.99)
Direct Taxes (Paid)	2.52	(0.11)
Net Cash Flow from operating activities (A)	(2.91)	(22.10)
B. Cash Flow from investing activities		
Capital Expenditure for Property, Plant and Equipments, Right of use assets,		
Investments Property, Intangible Assets including CWIP	(0.01)	(1.10)
Investments in subsidiaries	(0.03)	-
Interest received	0.82	1.71
Rental Income from investment property	0.40	0.49
Net Cash flow from investing activities (B)	1.18	1.10
C. Cash flow from financing activities		
Proceeds from/ (Repayment) of long term borrowings	-	(0.84)
Net increase / (Decrease) in Working Capital borrowings	-	0.14
Finance Cost	(0.10)	(0.19)
Net Cash flow used in financing activities (C)	(0.10)	(0.89)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(1.83)	(21.89)
Cash and Cash Equivalent at the beginning of the period	5.60	24.57
Cash and Cash Equivalent at the end of the period	3.77	2.68
Note: Figures in brackets represents cash outflow		

VALECHA ENGINEERING LIMITED



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Email : ho@valecha.in

Website : valechaeng.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2022

(₹ in Crores) Except EPS

Sr. No.	PARTICULARS	Consolidated					
		For the quarter ended on			For the quarter ended on		For the year ended on
		30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from Operations	32.70	19.30	56.96	52.00	125.53	234.43
	(b) Other Income	0.70	0.84	1.38	1.54	2.30	8.29
	Total Income	33.40	20.14	58.34	53.54	127.83	242.72
2	Expenses						
	a. Construction Expenses	27.52	12.94	50.84	40.46	114.42	226.16
	b. Changes in inventories	-	0.02	(0.04)	0.02	0.70	1.08
	c. Employees Benefits Expense	1.38	1.72	1.50	3.10	3.02	6.26
	d. Finance costs	52.68	33.86	36.34	86.54	71.14	142.92
	e. Depreciation and amortization Expenses	6.01	6.00	5.96	12.01	11.90	23.86
	f. Other Expenses	3.22	2.44	3.13	5.66	6.40	12.28
	Total Expenses	90.81	56.98	97.73	147.79	207.58	412.56
3	Profit / (Loss) before share of net profit/(loss) of an associate/ a joint venture and Exceptional Items (1-2)	(57.41)	(36.84)	(39.39)	(94.25)	(79.75)	(169.84)
4	Share of net profit/(loss) of an associate/ a joint venture	-	-	-	-	-	-
5	Profit / (Loss) before Exceptional Items and tax (3+4)	(57.41)	(36.84)	(39.39)	(94.25)	(79.75)	(169.84)
6	Exceptional Items	-	-	-	-	-	-
7	Profit / (Loss) before tax (5-6)	(57.41)	(36.84)	(39.39)	(94.25)	(79.75)	(169.84)
8	Tax Expense						
	(a) Current Tax (Including earlier year taxation)	-	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-	-
9	Profit / (Loss) for the Period (7-8)	(57.41)	(36.84)	(39.39)	(94.25)	(79.75)	(169.84)
10	Other Comprehensive Income (OCI)						
	(a) i. Items that will not be reclassified to profit or loss	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	0.17
	ii. Income tax relating to items that will not be reclassified to profit or loss						
	(b) i. Item that will be reclassified to profit or loss	0.92	1.02	(0.02)	1.94	0.29	0.72
	ii. Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Total Other Comprehensive Income	0.91	1.01	(0.03)	1.92	0.27	0.89
11	Total Comprehensive Income for the period (9+10)	(56.50)	(35.83)	(39.42)	(92.33)	(79.48)	(168.95)
12	Net Profit/(Loss) attributable to :						
	Shareholders of the Company	(35.26)	(22.51)	(24.40)	(57.77)	(50.21)	(110.56)
	Non-Controlling interest	(22.15)	(14.33)	(15.09)	(36.48)	(29.54)	(59.29)
13	Other Comprehensive Income attributable to :						
	Shareholders of the Company	0.91	1.01	(0.03)	1.92	0.27	0.89
	Non-Controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income attributable to :						
	Shareholders of the Company	(34.35)	(21.50)	(24.43)	(55.85)	(49.94)	(109.67)
	Non-Controlling interest	(22.15)	(14.33)	(15.00)	(36.48)	(29.54)	(59.29)
15	Paid-up Equity Share Capital (Face Value ₹ 10/-)	22.53	22.53	22.53	22.53	22.53	22.53
16	Other Equity Excluding Revaluation Reserves	-	-	-	-	-	(1,024.54)
17	Earning Per Share (of ₹ 10/- each) (not annualised):						
	(i) Basic earnings (loss) per share	(25.48)	(16.35)	(17.48)	(41.83)	(35.40)	(75.38)
	(ii) Diluted earnings (loss) per share	(25.48)	(16.35)	(17.48)	(41.83)	(35.40)	(75.38)
	See accompanying note to the Financial Results						

VALECHA ENGINEERING LIMITED



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Website : valechaeng.com

CONSOLIDATED BALANCE SHEET

(₹ in Crores)

Particulars	CONSOLIDATED	
	As at 30th September 2022	As at 31st March 2022
	(Unaudited)	(Audited)
ASSETS		
Non Current Assets		
(a) Property, Plant & Equipment	2.85	3.06
(b) Right of use assets	-	0.05
(c) Capital Work in Progress	-	-
(d) Investment Property	1.72	1.74
(e) Goodwill on Consolidation	1.80	1.80
(f) Other Intangible Assets	107.63	119.34
(g) Intangible Assets under development	211.42	203.59
(h) Financial Assets		
(i) Investments	0.08	0.08
(ii) Loans	-	-
(iii) Other Financial Assets	34.71	40.59
(i) Deferred Tax Assets (Net)	-	-
(j) Other Non-Current Assets	9.93	12.35
Total Non Current Assets	370.14	382.60
Current Assets		
(a) Inventories	0.01	0.03
(b) Financial Assets	-	-
(i) Other Investments	-	-
(ii) Trade Receivables	229.60	229.28
(iii) Cash & Cash Equivalents	5.72	7.38
(iv) Bank Balances other than (iii) above	4.27	4.18
(v) Loans	183.31	181.33
(vi) Other Financial Assets	6.17	5.95
(c) Other Current Assets	76.57	81.42
Total Current Assets	505.65	509.57
Total Assets	875.79	892.17
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	22.53	22.53
(b) Other Equity	(758.72)	(702.86)
Equity Attributable to Shareholders of the Company	(736.19)	(680.33)
Non-Controlling Interest	(358.16)	(321.68)
Total Equity	(1,094.35)	(1,002.01)
Liabilities		
Non Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	52.33	64.24
(ii) Other Financial Liabilities	25.94	28.95
(b) Provisions	0.13	0.13
(c) Deferred Tax Liabilities (Net)	3.77	3.77
(d) Other Non-Current Liabilities	34.33	33.37
Total Non Current Liabilities	117.00	130.46
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	991.08	981.34
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises; and	0.02	0.15
- Total outstanding dues of creditors other than micro enterprises and small enterprises	58.80	62.45
(iii) Other Financial Liabilities	797.44	713.22
(b) Other Current Liabilities	4.99	5.79
(c) Provisions	0.81	0.77
Total Current Liabilities	1,853.14	1,763.72
Total Equity & Liabilities	875.79	892.17

VALECHA ENGINEERING LIMITED
Consolidated Statement of Cash Flow For The Half Year Ended September 30, 2022

(Rupees in Crores)

Particulars	Half Year Ended September 30, 2022	Half Year Ended September 30, 2021
	(Unaudited)	(Unaudited)
A. Cash flow from Operating activities		
Profit/ (Loss) Before Tax	(94.25)	(79.75)
Add / (Deduct) Adjustment for :		
Depreciation and Amortization Expense	12.01	11.91
Finance Cost	86.54	71.14
Interest Income	(0.82)	(1.71)
Re-measurement of defined benefit plans	(0.02)	(0.02)
Re-measurement of gain/(loss) of investment/advances in foreign subsidiary	1.94	0.29
Rental Income from Investment Properties	(0.40)	(0.49)
Operating Profit/ (Loss) before Working Capital changes	5.00	1.37
Changes in Working Capital:		
Adjustment for (increase) / decrease in operating assets:		
Decrease in Inventories	0.03	0.70
(Increase)/ Decrease in Trade Receivable	(0.33)	8.46
(Increase) / Decrease Loans	(1.98)	(3.14)
(Increase)/ Decrease in other current assets and non-current financial assets	10.42	8.40
Adjustment for (increase) / decrease in operating liabilities:		
Increase/ (Decrease) in Trade Payables	(3.78)	(21.98)
Increase/(Decrease) in other current and financial liabilities (non-current)	81.86	56.39
Increase/ (Decrease) in Provisions	0.04	0.04
Cash Generated From / (used in) Operations	91.25	50.24
Direct Taxes (Paid)	2.42	(0.21)
Net Cash Flow from operating activities (A)	93.67	50.02
B. Cash Flow from Investing activities		
Capital Expenditure for Property, Plant and Equipments, Investments		
Property, Intangible Assets including CWIP	(7.85)	(3.22)
Investment in shares	-	0.00
Interest received	0.82	1.71
Rental Income from investment property	0.40	0.49
Net Cash flow from investing activities (B)	(6.63)	(1.02)
C. Cash flow from financing activities		
Proceeds from/ (Repayment) of long term borrowings	(11.91)	6.79
Net increase / (Decrease) in Working Capital borrowings	9.75	(5.80)
Finance Cost	(86.54)	(71.14)
Net Cash flow used in financing activities (C)	(88.70)	(70.15)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(1.66)	(21.15)
Cash and Cash Equivalent at the beginning of the period	7.38	26.45
Cash and Cash Equivalent at the end of the period	5.72	5.30
Note: Figures in brackets represents cash outflow		

Notes to the Unaudited Standalone and Consolidated Statements of Financial Results for the quarter and half year ended September 30, 2022:

1. The above Unaudited Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Holding Company at the meeting held on November 28, 2022.
2. This result has been prepared in accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015.
3. The Company is engaged in "Construction Activity" and there are no other reportable segments under Ind AS 108 "Operating Segments".
4. During the quarter ended March 31, 2021, the Company's (VEL) appeals against the winding up orders dated 01.03.2018 and 26.04.2018 passed by the Hon'ble Bombay High Court were dismissed by the Hon'ble High Court vide orders dated 05.03.2021 and 09.03.2021 and consequently the Company's operations and activities were suspended. Pursuant to the dismissal of the said Appeals the Company preferred a Special Leave Petition bearing No. SLP (Civil) Diary No.7103/2021 before the Hon'ble Supreme Court. The Hon'ble Supreme Court vide Order dated 30.04.2021 gave liberty to the Company to go back before the Company Judge by way of a formal petition/application and present the scheme of settlement, which can be considered by the Company judge on its own merits in accordance with the law. Promoter shareholders of the VEL, viz, Valecha Investments Private Limited (VIPL) holding 17.77% of the total equity shares, propounded a scheme of arrangement / compromise. VIPL also filed Company Summons for Directions (L) No. 25113 of 2021 seeking appropriate orders to call for meetings of stakeholders to vote on the scheme. The Company's Lead Banker State Bank of India moved an application to transfer the matter to National Company Law Tribunal (NCLT) under section 434 (1) (c) of The Companies Act 2013 read with the Companies (Transfer of Pending Proceedings) Rules, 2016. Accordingly, the Hon'ble High Court vide order dated 17.12.2021 passed an order directing the transfer of the Company Petition No. 761/2015 and Company Petition No. 173/2016 to NCLT. Thus all pending applications and OLRs in relation to the Company in liquidation stands disposed of. On 17.12.2021, the Bombay High Court recalled / revoked all earlier orders and thus status of the Company changed from liquidation to going concern.

Hon'ble, NCLT, Mumbai, vide their order dated 21.10.2022 in Company Petition no. CP (IB) No.594/MB-IV/2021 filed by STATE BANK OF INDIA, the Financial Creditor /Petitioner, under section 7 of Insolvency & Bankruptcy Code, 2016 (I&B Code) against the Company, Corporate Debtor/Respondent, for initiating Corporate Insolvency Resolution Process (CIRP).

Mr. Anurag Kumar Sinha, a Registered Insolvency Resolution Professional having Registration Number [IBBI/IPA-001/IP-P00427/2017-18/10750] has been appointed as Interim Resolution Professional, to carry out the functions as mentioned under I&B Code for initiation of CIRP of the Company, filed by the Financial Creditor /Petitioner State Bank of India.

5. The Holding Company has not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to investments made Rs.2.21 crores in four subsidiary companies, loans and advances given Rs.182.39 crores to four subsidiary companies and one step-down subsidiary company, and extended Corporate Guarantees aggregating to Rs.164.93 crores as at September 30, 2022 to its one Subsidiary company and one Step-down Subsidiary company whose net-worth is completely eroded on account of continued losses incurred in the past.

In view of the primary security already provided by the Subsidiaries and step-down subsidiary company and the Settlement proposals being pursued by the Management of the Holding Company, the Holding Company has not provided for any further liability towards Impairment of above referred Loans & Advances and Investment in Subsidiaries nor has made any fair valuation of its Corporate guarantees issued without consideration as per the requirements of Ind AS 109 & Ind AS 113, for the reasons mentioned above.

6. The Company has neither evaluated any impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" nor made any fair valuation as per the requirements of Ind AS 113 "Fair Value Measurements" in respect of its Investment made of Rs. 39.84 crores, loan given of Rs. 73.46 crores, and Corporate Guarantees extended of Rs. 976.02 crores as at September 30, 2022 in respect of its one subsidiary (other than subsidiary referred in point 5) above). The net-worth of the subsidiary is completely eroded and it continues to incur losses. The Subsidiary Company has filed a claim on its customer for Rs. 1862.03 crores and expects to realize the same and consequently repay/settle all dues. Accordingly, in the opinion of the Management, there is no need for any impairment provisions for ECL or fair valuation in respect of its Investments, loans given and Corporate Guarantees extended to the referred subsidiary (other than those mentioned in point 5 above).
7. Valecha LM Toll Private Limited (VLMTPL), an erstwhile step down subsidiary of the Company, has been referred to liquidation vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai and liquidation process has commenced. The asset of VLMTPL has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL.

The Company has also provided Corporate Guarantees to secured financial creditors to the extent of outstanding dues of Rs. 265.12 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

8. The Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 230.66 crores which includes Rs. 99.57 crores pertaining to additional claims raised during earlier years on account of escalation and various other reasons which are under consideration and deliberation before various authorities. The Company has booked their claims on conservative basis and management believe that they have strong case for each of the claims lodged against the client. Accordingly, in the opinion of the Management, there is no need to account for expected credit losses. The Company has not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans extended to various related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 47.03 crores and advances to suppliers amounting to Rs. 26.16 crores as at September 30, 2022 as it expects to recover the same in the time to come and hence has not made any provision for the same.
9. The Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA classification. In view of the Settlement / restructuring of its overall debt being pursued by the Management, it expects reliefs and concessions from various lenders out of the existing liabilities / obligations towards such lenders recorded in its books and has accordingly not provided for any interest liability post March 31, 2018.

Presently, the Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source as on September 30, 2022 and on outstanding payments to its Vendors registered under MSME.

10. The Company has an outstanding principal liability of Rs. 22.94 crores as at September 30, 2022 payable to public fixed deposit holders. In view of the already weak financial position of the Company, the Company has not provided any further interest on these outstanding overdue deposits. Pursuant to the NCLT order dated 03.04.2019, 11.06.2019, 22.08.2019, 14.11.2019, 26.05.2020 and in terms of NCLAT order dated 12.02.2020 the matter has since been subjudiced. As per these orders, the proceeds from Canara Bank and refunds from Income Tax department will be utilized for repayment of deposits to deposit holders. The Company is in the process of repayment of balance deposit holders based on the availability of proceeds from Canara Bank.
11. Other Current Assets as at September 30, 2022 includes Rs 31.77 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. The Management is in the process of recovery of such amounts.
12. The Company has sixteen project sites which have either been de-mobilized or completed or otherwise shut / non-operational. The Company could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the quarter ended September 30, 2022. Movement in accounts of such project sites, if any, is on account of balances being written off/written back and payments / receipts being made by the Head Office division in relation to assets / liabilities of such project sites. Such Project Sites comprises total assets of Rs. 83.83 crores [including Trade Receivables Rs. 69.93 crores and loans to other parties Rs. 5.54 crores referred in point 8 above, balances with revenue authorities of Rs. 8.33 crores referred in point 8 above and total liabilities of Rs. 26.70 crores as at September 30, 2022.
13. The Holding Company has certain in-operative Bank accounts, which have turned dormant on account of closure of sites, changes in signatories etc. The Holding Company is unable to obtain the statements of such inoperative and dormant bank accounts.
14. The accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments.
15. The accumulated losses incurred in the past years have resulted in erosion of Company's peak Net worth. However, the management is of the opinion that subject to approval of settlement proposals with secured lenders, cost reduction measures and participation in new business finance/ JV business, the Company will be able to earn profit over next few years and may be in position to repay restructured loans and pay statutory dues. Hence, the financial results are prepared assuming that it will continue as going concern.
16. On 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Company. The Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.
17. The Company's appeals against the winding up orders dated 01.03.2018 and 26.04.2018 passed by the Hon'ble Bombay High Court were dismissed by the Hon'ble High Court vide orders dated 05.03.2021 and 09.03.2021 and consequently the Company's operations and activities were suspended. With all intent & purpose to complete the ongoing existing projects being undertaken by the Company, Gopaldas Vasudev Construction Private Limited, a related party of the Company carried out activities relating to the arrangement of the vendor payments, site expenses and administrative expenses for ongoing projects ("project payables") for and on behalf of the Company.
During the quarter and half year ended September 30, 2022, the Company has transferred an aggregate sum of Rs.9.82 Crores and Rs.12.31 Crores respectively, to the said related party to arrange

project relates expenses payables for and on behalf of the Company. Out of the above funds, during the quarter and half year ended September 30,2022, Rs. 2.33 Crores and Rs.8.81 Crores respectively, has been utilized towards the project payables and debited to the Company. The Company has also appropriately accounted all such project expense paid/ payables in its books of account.

18. Specific notes related with Subsidiary Companies:

a) Valecha Reality Limited (VRL)

i. VRL has given a loan amounting to Rs 6.51 crores to M/s SVK Arcade LLP which is long outstanding in the Books of Accounts. VRL is not recognizing & receiving any interest on such loan and has neither made any provision for the loan amount outstanding.

ii. VRL has received loans from Valecha Engineering Limited ("VEL") and Valecha Infrastructure Ltd ("VIL") to the tune of Rs. 0.28 crores and Rs. 6.52 crores respectively. VRL has not paid any interest on the same nor has it made any provisioning of the interest payable. VEL has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.

b) Valecha Kachchh Toll Roads Limited (VKTRL)

VKTRL continues to prepare its Financial Statements on going concern basis even though it has continued to incur significant losses for the quarter ended September 30,2022 and in previous financial years. It has also continued to default in repayment of its financial obligation including interest and the construction of balance work is going at very slow pace, resulting in increase in cost of project mainly due to interest during construction period. However, as advised, the project had been halted due to non-availability of land and environment issues and on 13.05.2015, VKTRL has received PCOD (provisional commercial operation date) of for section 1 for which revenue is being generated. PCOD for Section 2 is likely to be completed by March 2023. VKTRL has also put an enhanced claim of Rs.1862.03 crores on GSRDC till March 2022 and is hopeful of realizing the same.

19. Consolidated results for the quarter ended September 30,2022 includes results of following Subsidiaries and Associate Companies:


Sr. No.	Name of Company	Relation
1	Valecha Infrastructure Limited	Wholly Owned Subsidiary Company
2	Professional Realtors Private Limited	Wholly Owned Subsidiary Company
3	Valecha International (FZE)	Wholly Owned Subsidiary Company
4	Valecha Kachchh Toll Roads Limited	Subsidiary Company
5	Valecha Reality Limited	Subsidiary Company
6	Valecha Badwani Sendhwa Tollways Limited	Step-Down Subsidiary Company

In case of Valecha International FZE, Holding Company's Management certified results have been considered for consolidation.

The Holding Company could not consolidate financial results of "Aryavrat Tollways Private Limited", an Associate Company, as it has not yet received its results. The Company has not consolidated financial results of this associate company in the previous year also. Based on the discussion with respective management, there are no material or significant transactions in the associate company, hence we do not foresee any material impacts on the financial results of the Holding Company.

20. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code and recognise the same when the Code becomes effective.
21. The previous period's figures have been re-grouped/ re-classified wherever required to conform to current period's classification. All figures of financials are stated as Rs. in Crores except otherwise stated.

For VALECHA ENGINEERING LIMITED



Anurag Kumar Sinha



**Interim Resolution Professional Of Valecha Engineering Limited
IBBI/PA-001/IP-P00427/2017-18/10750**

AFA No- AA1/10750/02/231222/103678

DATE: NOVEMBER 28, 2022

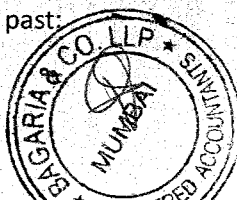
PLACE: MUMBAI



LIMITED REVIEW REPORT

**To The Board of Directors of the Company/Insolvency Resolution Professional ("IRP")
Valecha Engineering Limited**

1. The Honourable National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by a Financial Creditor under Section 7 of Insolvency & Bankruptcy Code, 2016 against Valecha Engineering Limited ("the Company") vide its order dated 21.10.2022 and appointed Mr. Anurag Kumar Sinha to act as the Interim Resolution Professional (IRP). Anurag Kumar Sinha in his capacity as IRP had taken control and custody of the management and operations of the Company from October 21, 2022.
2. As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results. In view of the ongoing Corporate Insolvency Resolution Process (CIRP), as explained above the power of the Board stands suspended and exercised by the IRP.
3. We have reviewed the unaudited standalone financial results of **Valecha Engineering Limited** ('the Company') for the quarter and half year ended September 30, 2022 which are included in the accompanying 'Unaudited Standalone Statement of Financial Results for half year ended September 30, 2022 together with the notes thereon (hereinafter referred to as the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes.
4. This Standalone Statement, which is the responsibility of the Company's Management and approved by the Board of Directors and taken on record by the IRP in their meeting held on November 28, 2022, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Standalone Statement based on our review.
5. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Standalone Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
6. i. As explained in Note 5 to the Standalone Statement, the Company has not evaluated impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" in relation to following Investments made, loans and advances given and Corporate Guarantees extended to its Subsidiaries and Step-Down Subsidiary whose net-worth is completely eroded on account of continued losses incurred in the past:



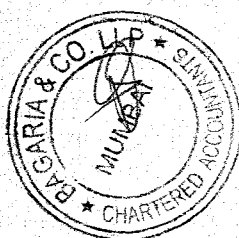
- Investments aggregating to Rs.2.21 crores in its four subsidiary companies,
 - Loans & advances aggregating to Rs.182.39 crores given to its four subsidiary companies and one step-down subsidiary company;
 - Corporate Guarantees aggregating to Rs.164.93 crores to Banks on behalf of one Subsidiary company and one Step-down Subsidiary company.
- ii. The Company has also not done any fair valuation of its Corporate guarantees referred to in point (i) above nor has recognized guarantee fees/commission during the period in relation to such Corporate guarantees issued without consideration as per the requirements of Ind AS 109 & Ind AS 113.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued by the Company and its Subsidiaries and Step Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022, which may arise on account of non-provision of impairment towards Investments, Loans and Corporate Guarantees and fair valuation adjustment of Corporate guarantees as referred above.

- iii. As explained in Note No. 6 to the Standalone Statement, the Company has neither evaluated any impairment provisions for expected credit losses (ECL) as required under Ind AS 109 "Financial Instruments" nor made any fair valuation as per the requirements of Ind AS 113 "Fair Value Measurements" in respect of its Investment made of Rs. 39.84 crores, loan given of Rs. 73.46 crores and Corporate Guarantees extended of Rs. 976.02 crores as at September 30, 2022 in respect of its one subsidiary (other than subsidiary referred to in point (i) above). The net-worth of the subsidiary is completely eroded and it continues to incur losses. The Subsidiary Company has put a cumulative claim of Rs. 1862.03 crores on GSRDC (client of subsidiary) as computed till March 2022 and expects to recover such claim amount and consequently repay/settle all its dues. However, in view of the uncertainty involved over receipt of the claim amount and consequent repayment of all its dues, we are unable to comment upon the need for impairment provisions and the impact of fair valuation adjustments, if any, which may be required and the resultant impact on the net results for the quarter and half year ended September 30, 2022, if any.
- iv. As explained in Note No. 7 to the Standalone Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile step-down subsidiary of the Company is undergoing liquidation under Insolvency and Bankruptcy Code, 2016 vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai. Consequently, the assets of VLMTPL has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL.

The Company has a Corporate Guarantee exposure of Rs. 265.12 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued for the Company and its Subsidiaries and Step-Down Subsidiaries, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022, which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.



- v. As explained in Note No. 8 to the Standalone Statement, the Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 230.66 crores which includes Rs. 99.57 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans given to other than related parties amounting to Rs. 47.03 crores and advances to suppliers amounting to Rs. 26.16 crores as at September 30, 2022.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the net results for the quarter and half year ended September 30, 2022.

- vi. As explained in Note No. 9 to the Standalone Statement, the Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA classification. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts.

The Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on September 30, 2022.

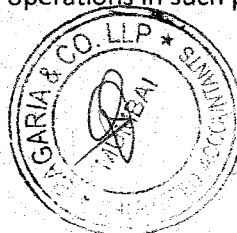
In absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.

- vii. As explained in Note No. 10 to the Standalone Statement, the Company has an outstanding principal liability of Rs. 22.94 crores as at September 30, 2022 payable to public fixed deposit holders. In view of its already weak financial position, the Company has not made any provision of interest on these outstanding fixed deposits.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the net results for the quarter and half year ended September 30, 2022.

- viii. As explained in Note No. 11 to the Standalone Statement, Other Current Assets as at September 30, 2022 includes Rs 31.77 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on net results for the quarter and half year ended September 30, 2022.

- ix. As explained in Note No. 12 to the Standalone Statement, the Company has sixteen project sites, which have either been de-mobilized or completed or otherwise shut or non-operational, could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the quarter and half



year ended September 30, 2022. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and liabilities of such project sites.

Such Project Sites comprises total assets of Rs. 83.83 crores [including Trade Receivables Rs. 69.93 crores and loans to other parties Rs. 5.54 crores referred in point 4.v above, balances with revenue authorities of Rs. 8.33 crores referred in point 4.viii above] and total liabilities of Rs. 26.70 crores as at September 30, 2022. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and half year ended September 30, 2022 had the said units been reviewed by us.

- x. As explained in Note no 13 to the Standalone Statement, the Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Company is unable to obtain the statements of such inoperative and dormant bank accounts.

In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the net results for the quarter and half year ended September 30, 2022.

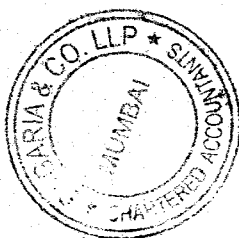
- xi. As explained in Note no 14 to the Standalone Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the net results for the quarter and half year ended September 30, 2022, the amounts whereof are presently not ascertainable.

- xii. As explained in Note No. 17 to the Standalone Statement, the Company operations and activities were suspended vide Court Orders dated 05.03.2021 and 09.03.2021. However, to complete the ongoing existing projects being undertaken by the Company, Gopaldas Vasudev Construction Private Limited, a related party of the Company carried out activities relating to the management of the vendor payments, site expenses and administrative expenses for ongoing projects ("project payables") for and on behalf of the Company. During the quarter and half year ended September 30, 2022, the Company has transferred an aggregate sum of Rs.9.82 Crores and Rs.12.31 Crores respectively, to the said related party to arrange project relates expenses payables for and on behalf of the Company. Out of the above funds, during the quarter and half year ended September 30, 2022, Rs. 2.33 Crores and Rs.8.81 Crores respectively, has been utilized towards the project payables and debited to the Company. The Company has also appropriately accounted all such project payables in its books of account.

We are unable to comment on the consequential impact if any arising out of the above events on the net results for the quarter and half year ended September 30, 2022.

- xiii. There are various Legal Cases filed by / against the Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the net results for the quarter and half year ended September 30, 2022 the amounts whereof are presently not ascertainable.

The matters stated above were also subject matter of qualification in our review conclusion on the unaudited standalone financial results for the quarter ended June 30, 2022, for the quarter and half year ended September 30, 2021. The matters stated above were also subject matter of qualification in our audit opinion on the standalone financial statement for the year ended March 31, 2022.



Based on our review conducted above, except for the effects/possible effects of the matters described in paragraph 6, nothing has come to our attention that causes us to believe that the accompanying Standalone Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the Ind AS 34 prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Material Uncertainty Related to Going Concern:

We draw attention to Note No. 9 & Note No. 15 to the Standalone Statement which indicates that the Company has accumulated losses and its net worth has been substantially eroded and there has been defaults in repayment of various borrowings and deposits. These conditions, along with other matters set forth in Note No 4, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the standalone financial results of the Company have been prepared on a going concern basis for the reasons stated in Note No.15 to the Standalone Statement.

8. Emphasis of matter:

We draw attention to Note No. 16 to the Standalone Statement, on 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Company. The Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.

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

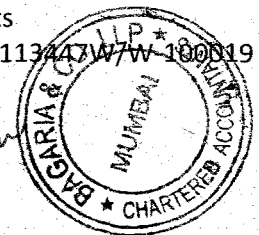
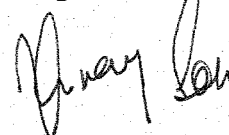
Place: Mumbai

Date: November 28, 2022

For Bagaria and Co. LLP

Chartered Accountants

Firm Registration No.: 113447W/W-100019



Vinay Somani

Partner

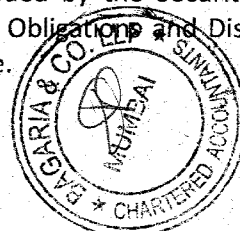
Membership No. 143503

UDIN: 22143503BEIMSV7342

LIMITED REVIEW REPORT

**To The Board of Directors of the Company/Insolvency Resolution Professional(IRP)
Valecha Engineering Limited**

1. The Honourable National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by a Financial Creditor under Section 7 of Insolvency & Bankruptcy Code, 2016 against Valecha Engineering Limited ("the Company") vide its order dated 21.10.2022 and appointed Mr. Anurag Kumar Sinha to act as the Interim Resolution Professional (IRP). Anurag Kumar Sinha in his capacity as IRP had taken control and custody of the management and operations of the Company from October 21, 2022.
2. As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the standalone financial results of the Company submitted to the stock exchange shall be signed by the Chairperson or Managing Director or Whole Time Director or in absence of all of them, it shall be signed by any Director of the Company who is duly authorized by the Board of Directors to sign the standalone financial results. In view of the ongoing Corporate Insolvency Resolution Process (CIRP), as explained above the power of the Board stands suspended and exercised by the IRP.
3. We have reviewed the unaudited consolidated financial results of **Valecha Engineering Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries and associates (the Holding Company, its subsidiaries and its associates together referred to as "the Group") for the quarter and half year ended September 30, 2022 which are included in the accompanying 'Unaudited Consolidated Statement of Financial Results for the quarter and half year ended September 30, 2022 together with the notes thereon (herein after referred to as the "Consolidated Statement"). The Consolidated Statement is being submitted by the Holding Company pursuant to the requirements of Regulations 33 of the SEBI (Listing, Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations'), which has been initialled by us for identification purposes.
4. This Consolidated Statement, which is the responsibility of the Company's Management and approved by the Board of Directors and taken on record by the IRP in their meeting held on November 28, 2022, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (IND AS "34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Consolidated Statement based on our review.
5. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. Accordingly, we do not express an audit opinion.
6. We also performed procedures in accordance with the Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.



7. The Statement includes the results of the following entities:

Sr. No.	Name of Company	Relation
1	Valecha Infrastructure Limited	Wholly Owned Subsidiary Company
2	Professional Realtors Private Limited	Wholly Owned Subsidiary Company
3	Valecha International (FZE)	Wholly Owned Subsidiary Company
4	Valecha Badwani Sendhwa Tollways Limited	Step-Down Subsidiary Company
5	Valecha Kachchh Toll Roads Limited	Subsidiary Company
6	Valecha Realty Limited	Subsidiary Company

The Statement does not include the result of following Company:

S. No.	Name of Company	Relation
1	Aryavrat Tollways Pvt. Ltd	Associate Company

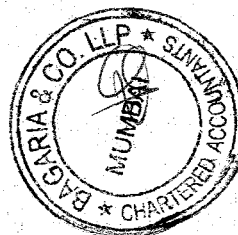
8. i As explained in Note No. 7 to the Consolidated Statement, Valecha LM Toll Private Limited (VLMTPL), an erstwhile stepdown subsidiary of the Holding Company is undergoing liquidation under Insolvency and Bankruptcy Code, 2016 vide Order dated 27th October, 2020 of Hon'ble NCLT, Mumbai. Consequently, the assets of VLMTPL has been auctioned and the proceeds have been distributed amongst the secured financial creditors of VLMTPL.

The Holding Company have provided Corporate Guarantee of Rs. 265.12 crores on behalf of VLMTPL which have not been evaluated for impairment provisioning in view of the same not yet being invoked.

In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued by the Group, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022 which may arise on account of non-provision of impairment towards Corporate Guarantees as referred above.

- ii. The Consolidated financial results include goodwill arising on consolidation amounting to Rs. 1.80 Crores which has not been tested for impairment inspite of the losses and sub-optimal operations of the Group. In the absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued by the Group, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022, which may arise on account of non-provision of impairment on goodwill as referred above.
- iii. As explained in Note No. 8 to the Consolidated Statement, the Holding Company has not evaluated expected credit losses for long outstanding Trade Receivables of Rs. 230.66 crores which includes Rs. 99.57 crores pertaining to additional claims raised during earlier years due to price escalation and various other reasons which are under consideration and deliberation before various authorities.

The Holding Company has also not evaluated impairment provisions for expected credit losses as required under Ind AS 109 "Financial Instruments" for loans given to related parties (other than subsidiaries, step down subsidiaries and associate company) amounting to Rs. 6.50 crores, loans



given to other than related parties amounting to Rs. 47.03 crores and advances to suppliers amounting to Rs.26.16 crores as at September 30, 2022.

In absence of any detailed information regarding the recoverability of such loans and advances, third party confirmation/reconciliations for such trade receivables and loans and advances, we are unable to comment upon the recoverability and corresponding impact of impairment on the net results for the quarter and ended September 30, 2022.

- iv. As explained in Note No. 9 to the Consolidated Statement, the Holding Company's borrowing facilities with various banks and NBFC's have continued to remain under NPA classification. In view of the proposed Settlement proposals being pursued by the Management with its lenders, the Management expects reliefs and concessions from various lenders and accordingly has not provided for any further interest liability in relation to its outstanding debts.

The Holding Company has also not provided interest which may arise towards delayed payment / non-payment of dues towards tax deducted at source and on outstanding payments to Vendors registered under MSME as on September 30, 2022.

In absence of any further detailed information and management's estimates of reliefs and concessions to be obtained from Settlement proposals being pursued, we are unable to comment upon the resultant impact, if any, on the net results for the quarter and half year ended September 30, 2022, which may arise on account of non-provision of interest on loans, trade payables and statutory dues as referred above.

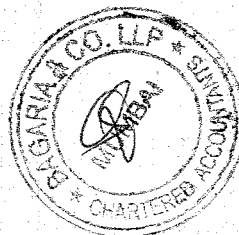
- v. As explained in Note No. 10 to the Consolidated Statement, the Holding Company has an outstanding principal liability of Rs. 22.94 crores as at September 30, 2022 payable to public fixed deposit holders. In view of its already weak financial position, the Holding Company has not made any provision of interest on these outstanding fixed deposits.

In absence of detailed information and computation of such interest including additional interest, if any, we are unable to comment upon its resultant impact on the net results for the quarter and half year ended September 30, 2022.

- vi. As explained in Note No. 11 to the Consolidated Statement, Other Current Assets as at September 30, 2022 includes Rs 31.77 crores receivable towards various indirect taxes from Government Authorities which are pending for assessments. However, in view of unavailability of information on status of such assessments or status of recoverability, we are unable to comment upon the resultant impact, if any on net results for the quarter and half year ended September 30, 2022.

- vii. As explained in Note No. 12 to the Consolidated Statement, the Holding Company has sixteen project sites, which have either been de-mobilized or completed or otherwise shut or non-operational, could not obtain details of transactions effecting, if any, through Bank accounts previously operated through such project sites. There have been no operations in such project sites during the quarter and half year ended September 30, 2022. Movement in accounts of such project sites, if any, is on account of balances being written off and/or written back and payments and/or receipts being identified and/or made by the Head Office division in relation to assets and liabilities of such project sites.

Such Project Sites comprises total assets of Rs. 83.83 crores [including Trade Receivables Rs. 69.93 crores and loans to other parties Rs. 5.54 crores referred in point iii above, balances with revenue authorities of Rs. 8.33 crores referred in point vi above] and total liabilities of Rs. 26.70 crores as at



September 30, 2022. In view of unavailability of information, we are unable to comment upon the resultant impact, if any on net results for the quarter and half year ended September 30, 2022 had the said units been reviewed by us.

- viii. As explained in Note no 13 to the Consolidated Statement, the Holding Company has certain in-operative Bank accounts, which have turned dormant on account of multiple reasons such as closure of sites, changes in signatories etc. The Holding Company is unable to obtain the statements of such inoperative and dormant bank accounts.

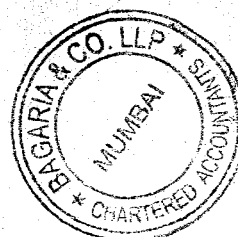
In absence of such bank accounts details, we are unable to comment on the resultant impact if any on the net results for the quarter and half year ended September 30, 2022.

- ix. As explained in Note no 14 to the Consolidated Statement, the accounts of certain Banks, Loans & Advances given, Trade Receivables, Other Current Assets, Lenders' liability, Trade Payables and Other liabilities are subject to confirmations, reconciliations and adjustments, if any, having consequential impact on the net results for the quarter and half year ended September 30, 2022, the amounts whereof are presently not ascertainable.
- x. As explained in Note No. 17 to the Consolidated Statement, the Holding Company's operations and activities were suspended vide Court Orders dated 05.03.2021 and 09.03.2021. However, to complete the ongoing existing projects being undertaken by the Company, Gopaldas Vasudev Construction Private Limited, a related party of the Holding Company carried out activities relating to the management of the vendor payments, site expenses and administrative expenses for ongoing projects ("project payables") for and on behalf of the Holding Company. During the quarter and half year ended September 30, 2022, the Holding Company has transferred an aggregate sum of Rs.9.82 Crores and Rs.12.31 Crores respectively, to the said related party to arrange project relates expenses payables for and on behalf of the Holding Company. Out of the above funds, during the quarter and half year ended September 30,2022, Rs. 2.33 Crores and Rs.8.81 Crores respectively, has been utilized towards the project payables and debited to the Holding Company. The Holding Company has also appropriately accounted all such project payables in its books of account.

We are unable to comment on the consequential impact if any arising out of the above events on the net results for the quarter and half year ended September 30, 2022.

- xi. There are various Legal Cases filed by / against the Holding Company, since the cases are ongoing, we are unable to comment on any consequential impact in respect of the same on the net results for the quarter and half year ended September 30, 2022, the amounts whereof are presently not ascertainable.
- xii. As explained in Note No 18(a) to the Consolidated Statement, Valecha Reality Limited (VRL), (an Associate Company) has given a loan amounting to Rs. 6.51 crores to M/s SVK Arcade LLP which is long outstanding in the Books of Accounts. VRL is not recognizing and receiving any interest on such loans neither has it made any provision for the loan amount outstanding. Further, the Company VRL has received loans from Valecha Engineering Limited and Valecha Infrastructure Limited to the tune of Rs 0.28 crores and Rs. 6.52 crores respectively. Valecha Engineering Limited has not recovered any interest in view of already weak financial position of VRL. Similarly, VIL has also not recovered any interest amount from VRL in view of already weak financial position of VRL.

The matters stated above were also subject matter of qualification in our review conclusion on the unaudited consolidated financial results for the quarter ended June 30, 2022, for the quarter and half year



ended September 30, 2021. The matters stated above were also subject matter of qualification in our audit opinion on the consolidated financial statement for the year ended March 31, 2022.

9. Material Uncertainty Related to Going Concern:

We draw attention to Note No. 9 & Note No. 15 to the Consolidated Statement which indicates that the Holding Company has accumulated losses and its net worth has been substantially eroded and there has been defaults in repayment of various borrowings and deposits. These conditions, along with other matters set forth in Note No 4, indicate the existence of a material uncertainty that may cast significant doubt about the Holding Company's ability to continue as a going concern. However, the Consolidated financial results of the Group have been prepared on a going concern basis for the reasons stated in Note No.15 to the Consolidated Statement.

We draw attention to Note no 18(b) to the Statement in respect of Valecha Kachchh Toll Roads Limited (VKTRL) (a Subsidiary Company) wherein the other auditors had stated in their review report that:

- VKTRL continues to prepare its Financial Statements on going concern basis even though it has continued to incur significant losses for the quarter and year ended March 31, 2022 and in previous financial years. It has also continued to default in repayment of its financial obligation including interest and the construction of balance work is going at very slow pace, resulting in increase in cost of project mainly due to interest during construction period. However, as advised, the project had been halted due to non-availability of land and environment issues and on 13.05.2015, VKTRL has received PCOD (provisional commercial operation date) of for section 1 for which revenue is being generated. PCOD for Section 2 is likely to be completed by March 2023. VKTRL has also put an enhanced claim of Rs. 1862.03 crores on GSRDC till March 2022 and is hopeful of realizing the same.

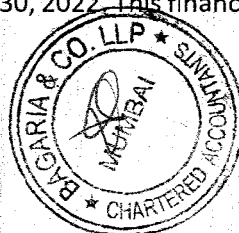
10. Emphasis of Matter

We draw attention to Note No. 16 to the Consolidated Statement, on 29/09/2018, the shareholders accorded their approval for the waiver of recovery of excess managerial remuneration in respect of three Directors of the Holding Company. The Holding Company is taking necessary actions and steps for approval from Secured Lenders pursuant to the Notification dated 12/09/2018 issued by Ministry of Corporate Affairs on the subject. The Holding Company is hopeful of getting requisite approval from the secured lenders upon settlement proposal approved by them.

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

11. Other Matters:

- i. We did not review the financial results of three subsidiaries (including one step down subsidiary) included in the consolidated audited financial results whose financial statements reflect total assets of Rs. 472.89 Crores, total revenue of Rs. 4.85 crores and Rs 10.16 crores for the quarter and half year ended September 30, 2022 respectively, total comprehensive loss of Rs. 55.84 crores and Rs 92.26 crores for the quarter and half year ended September 30, 2022 respectively. These financial results have been reviewed by other auditor whose reports have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated above.
- ii. We did not review the financial information of two subsidiary company included in the consolidated audited financial results whose financial information reflect total assets of Rs. 6.54 Crores, total revenue of Rs. NIL for the quarter and half year ended September 30, 2022 and total comprehensive loss of Rs. NIL for the quarter and half year ended September 30, 2022. This financial information has



not been reviewed by their auditor but have been certified by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said subsidiaries, is based solely on such Management certified financial information and the procedures performed by us as stated.

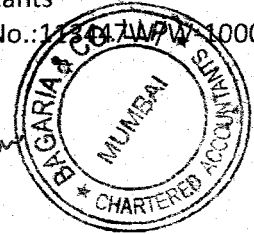
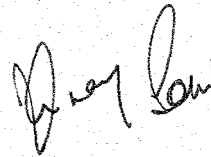
- iii. We have relied on the unaudited financial information furnished by the Holding Company's management with respect to one subsidiary included in the consolidated financial results whose financial information reflect total assets of Rs. 26.22 Crores, total revenue of Rs. NIL for the quarter and half year ended September 30, 2022 and total comprehensive loss of Rs. NIL for the quarter and half year ended September 30, 2022. The unaudited financial result of the company have been furnished to us by the Holding Company's management based on provisional financial accounts and information available with the Holding Company and are not approved by the Management of the respective Company. Our opinion on the financial results, in so far as relates to the amount and disclosures included in respect of these subsidiary is based solely on such unaudited financial information.

Our conclusion is not modified in respect of the above matters listed under "Other Matters" paragraph.

For **Bagaria and Co. LLP**

Chartered Accountants

Firm Registration No.: 113017MPW-100019



Vinay Somani

Partner

Membership No. 143503

UDIN: 22143503BEINCF5742

Place: Mumbai

Date: November 28, 2022