

Ref: VEL/043

16th August, 2017

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 Sirs,

Sub: Outcome of the Board Meeting held on 16th August, 2017

Ref: Our letter VEL/014 dated 15th May, 2017

Our letter VEL/032 dated 20th July, 2017

Our letter VEL/034 dated 28th July, 2017

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we would like to inform you that the Board of Directors of the Company at their meeting held on **16th August, 2017** have inter alia considered, approved/taken on record the following:

- The Audited Consolidated and Standalone Financial Results of the Company for the Fourth Quarter and year ended **31st March, 2017**.
- Independent Auditors Report on the Consolidated and Standalone Financial Results of the Company for the Fourth Quarter and year ended **31st March, 2017** with unmodified opinion thereon.

In terms of Regulation 33(3)(d) of Listing Regulations (as amended) and in compliance with SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016 attached is the Declaration duly signed by the Vice Chairman cum Managing Director of the Company.

The Board meeting commenced at 5:30 p.m. and concluded at 7:15 p.m.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully

For VALECHA ENGINEERING LIMITED



(JAGDISH K. VALECHA)

Vice Chairman cum Managing Director

Encl: As above

VALECHA ENGINEERING LIMITED

(An ISO 9001-2008 Company)

CIN : L74210MH1977FLC019535

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

Email : ho@valecha.in

Website : valechaeng.com



AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2017.

(₹ In Lacs)

Sr. No.	PARTICULARS	STANDALONE RESULTS FOR (₹ In Lacs)					CONSOLIDATED RESULT FOR	
		QUARTER ENDED ON		YEAR ENDED ON			YEAR ENDED ON	
		31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
PART I								
1	Income from Operation	11,399.16	10194.04	20,145.91	41,092.86	70,833.27	45,231.13	75,044.91
2	Expenditure							
	a. Construction Expenses	10,677.50	9,249.05	29,689.94	36,818.94	77,070.01	36,947.85	77,192.78
	b. (Increase) / Decrease in Stock	1,046.23	(30.25)	(876.39)	1,462.93	(401.76)	1,462.93	(401.76)
	c. Employees Benefits & Welfare Expenses	517.13	363.71	636.93	1,674.17	2,215.99	1,832.59	2,313.88
	d. Depreciation and amortization Expenses	138.41	441.69	344.50	1,463.16	1,988.16	5,021.68	5,346.48
	e. Other Expenditure	1,869.77	89.53	1,580.87	2,122.92	3,463.91	2,743.64	4,018.06
	f. Total	14,249.04	10,113.73	31,375.85	43,542.12	84,336.31	48,008.69	88,469.44
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(2,849.88)	80.31	(11,229.94)	(2,449.26)	(13,503.04)	(2,777.55)	(13,424.53)
4	Other Income	1,018.22	138.82	513.68	2,484.35	1,219.10	2,493.06	1,290.33
5	Profit / (Loss) from ordinary activities before Finance Costs & Exceptional Items (3+4)	(1,831.66)	219.13	(10,716.26)	35.09	(12,283.94)	(284.50)	(12,134.20)
6	Finance Costs	2,660.72	1,415.43	1,983.49	6,929.64	6,220.39	16,633.47	12,088.61
7	Profit / (Loss) after Finance Costs but before Exceptional Items (5-6)	(4,492.38)	(1,196.30)	(12,699.75)	(6,894.55)	(18,504.33)	(16,917.97)	(24,222.81)
8	Exceptional Items	-	-	-	-	-	10,390.90	-
9	Profit / (Loss) from Ordinary Activities Before Tax	(4,492.38)	(1,196.30)	(12,699.75)	(6,894.55)	(18,504.33)	(27,308.87)	(24,222.81)
10	Tax Expenses							
	- Current Tax	-	-	-	-	-	-	0.87
	- Deferred Tax	(19.55)	(85.39)	(89.73)	(275.60)	(376.31)	(357.35)	(509.72)
11	Net Profit / (Loss) from Ordinary Activities After Tax (9-10)	(4,472.83)	(1,110.91)	(12,610.02)	(6,618.95)	(18,128.02)	(26,951.52)	(23,713.96)
12	Extraordinary Items (Net of Tax Expenses ₹ NIL)	-	-	-	-	-	-	-
13	Net Profit / (Loss) for the Period (11+12)	(4,472.83)	(1,110.91)	(12,610.02)	(6,618.95)	(18,128.02)	(26,951.52)	(23,713.96)
14	Minority Interest	-	-	-	-	-	3,541.84	426.49
15	Net Profit / (Loss) for the Period after Minority Interest (13+14)	(4,472.83)	(1,110.91)	(12,610.02)	(6,618.95)	(18,128.02)	(23,409.68)	(23,287.47)
16	Paid-up Equity Share Capital (Face Value ₹ 10/-)	2,253.00	2,253.00	2,253.00	2,253.00	2,253.00	2,253.00	2,253.00
17	Reserves Excluding Revaluation Reserves	-	-	-	2,259.58	8,897.29	(24,137.77)	(709.33)
18	Earning Per Share (₹) (Basic and Diluted)	(19.85)	(4.93)	(55.97)	(29.38)	(81.36)	(103.90)	(104.52)

Notes:

- The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at the Board Meeting held on 16th August, 2017
- In respect of standalone financial results, the figures for the last quarter are balancing figures between the audited figures in respect of the full financial year and the year to date figures upto the third quarter.
- The Company is engaged in "Construction Activity" and is managed organisationally as a single business segment. Accordingly, the Company has a single primary reporting segment as envisaged in Accounting Standard (AS-17) on "Segment Reporting".
- Previous period's / year's figures have been regrouped / rearranged wherever necessary to conform to those of current period's / year's classification.

Place : Mumbai

Date : 16th August, 2017.

STATEMENT OF ASSETS AND LIABILITIES

(₹ In Lacs)

Sr. No.	PARTICULARS	STANDALONE		CONSOLIDATED	
		As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
		(Audited)	(Audited)	(Audited)	(Audited)
A.	EQUITY AND LIABILITIES				
1	Shareholders Fund				
	a) Share Capital	2,253.00	2,253.00	2,253.00	2,253.00
	b) Reserve and Surplus	2,259.58	8,953.30	(24,137.77)	(653.33)
2	Share Application Money Pending Allotment	-	-	-	-
3	Minority Interest	-	-	(2,439.24)	1,102.61
4	Non Current Liabilities				
	a) Long Term Borrowings	5,968.38	11,552.61	73,595.31	79,721.71
	b) Deferred Tax Liabilities (Net)	1,406.26	1,681.86	1,571.09	1,928.44
	c) Other Long Term Liabilities	21,932.00	22,612.03	21,932.00	20,834.85
5	Current Liabilities				
	a) Short Term Borrowings	26,660.66	11,305.40	26,692.63	11,637.15
	b) Trade Payables	17,170.22	16,573.86	17,382.69	16,787.92
	c) Other Current Liabilities	23,742.69	30,979.78	33,563.84	33,173.04
	d) Short Term Provisions	-	-	-	-
	Total	1,01,392.80	1,05,911.84	1,50,413.54	1,66,785.39
B.	ASSETS				
1	Fixed Assets	4,645.93	7,814.51	74,041.93	83,372.04
2	Non Current Investment	13,545.67	13,446.26	3,875.77	12,011.00
3	Long Term Loans & Advance	12.03	201.85	12.58	177.40
4	Current Assets				
	a) Inventories	4,063.72	5,526.64	4,063.72	5,526.64
	b) Trade Receivables	25,970.35	25,607.16	25,802.69	25,439.50
	c) Cash and Cash Equivalents	2,811.15	5,688.83	2,966.10	6,362.33
	d) Short Term Loans & Advances	50,310.21	47,400.31	39,578.88	33,589.42
	e) Other Current Assets	33.73	226.29	71.88	307.06
	Total	1,01,392.80	1,05,911.83	1,50,413.54	1,66,785.39

For VALECHA ENGINEERING LIMITED

J. K. Valecha
J. K. VALECHA
VICE CHAIRMAN - CUM - MANAGING DIRECTOR



D. M. Jani & Co.

CHARTERED ACCOUNTANTS

Chaman Chambers, 3rd Floor, 10 A, Cinema Road,
Dhobi Talao, Mumbai - 400 020.

Off. : 2201 6906 / 2205 0752 • E-mail : dmjani@vsnl.com

**Auditor's Report on Consolidated year to date Results of Valecha Engineering Limited,
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015(as amended).**

To
The Board of Directors
Valecha Engineering Limited

Report on Consolidated Financial Results

We have audited the consolidated financial results of Valecha Engineering Limited ("the Company") and subsidiaries (collectively referred to as "the Group") for the consolidated year to date results for the period of April 01, 2016 to March 31, 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

Management's Responsibility for Consolidated Financial Results

These consolidated year to date financial results have been prepared from consolidated interim financial statements, which are the responsibility of the Company's management.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial results based on our audit which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), mandated under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We have relied on the unaudited financial statements of three subsidiaries whose financial statements reflect total assets of Rs.54,585.24 Lakhs as at March 31, 2017; as well as the total revenue of Rs.1,693.88 Lakhs for the year ended on that date. These unaudited financial statement have been certified by the respective Board of Directors of these companies have been furnished to us by the Management and our report in so far as it relates to the amounts



included in respect of subsidiaries is based solely on such certified unaudited financial statements.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the paragraph above, these consolidated financial results:

- (i) Include the year to date financial results of the following entities:
 - (a) Valecha Infrastructure Limited
 - (b) Valecha LM Toll Private Limited
 - (c) Valecha Badwani Sendhawa Tollways Limited
 - (d) Valecha Kachchh Toll Roads Limited
 - (e) Valecha International – FZE
 - (f) Professional Realtors Private Limited
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) in this regard; and
- (iii) give a true and fair view of the consolidated net loss and other financial information for the year ended March 31, 2017.

Emphasis of Matter

We draw attention to the following matter in the notes to consolidated financial statements:

- a) Holding company:
 - (i) Note no.29 in the Audited Financial Statements indicates that the Company has incurred Substantial losses from its operations during the current and previous year which has eroded its net-worth substantially. The Company has also incurred net operating cash loss during the current year. Further, the Company has defaulted in repayment of borrowing and payment of statutory dues, and few banks have categorised the Company's bank accounts as "Non-performing Assets". These conditions, along with other matters set forth in Note no.29 in the audited financial statements 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 financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.
 - (ii) The investment in Valecha Infrastructure Limited and Valecha Kuchchh Toll Roads Limited, subsidiaries of the Company, whose net worth has been fully eroded, is carried at Rs.9,833.50 lakhs in the Balance Sheet as at March 31, 2017. The investment in Valecha International (FZE), which has no operations for several years, is carried at Rs.26.44 lakhs as at March 31, 2017. Further, loans and advances given to these subsidiaries aggregating to Rs.14,293.19 lakhs are outstanding as at March 31, 2017. However the Management does not expect any material impact affecting the current year's financial statements on account of provision for diminution in the value of investments and recoverability of loans and advances. Accordingly, no provision has been made in the financial statements.



- (iii) We did not audit the books of account due to non-availability of supporting documents of three (3) project sites whose statements reflect total assets of Rs. 5,276.49 lakhs (5.20% of total assets) as on March 31, 2017, total revenue of Rs.738.87 lakhs(1.70% of total revenue) and total profit of Rs. 4.99 lakhs (-% of total loss) for the year ended on that date.
- (iv) Note no. H in the Audited Financial statements which indicate that, balances of certain trade receivables and advances are subject to confirmation and reconciliation. However, the Management does not expect any material variation affecting the current year's financial statements on account of such reconciliation/ adjustments. Accordingly, no provision has been made in the financial statements.
- b) Subsidiary Company (Valecha Infrastructure Limited):
- (i) The investment in Valecha LM Toll Private Limited and Valecha Badwani Sendhwa Tollways Limited, subsidiaries of the Company whose net worth has been fully eroded, is carried at Rs. 6,321 Lakhs in the Balance Sheet as at March 31, 2017. Further Loans and Advances given to these subsidiaries amounting to Rs. 1.36 Lakhs are outstanding as at March 31, 2017. However the management does not expect any material impact affecting the current year's financial statements on account of provision for diminution in value of investment and Loans and advances. Accordingly no provision has been made in the financial statements.
- (ii) Note No. 19 in the financial statements indicates that, the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the current and previous years and, the Company's current liabilities exceeded its current assets as at the Balance Sheet date. There conditions, along with other matters set forth in Note No. 19, indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the standalone financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

For D. M. JANI & Co.
Chartered Accountants
Firm Registration No. 104047W



DILIP M. JANI.
Proprietor
Membership No.017259

Mumbai, Dated: August 16, 2017



D. M. Jani & Co.

CHARTERED ACCOUNTANTS

Chaman Chambers, 3rd Floor, 10 A, Cinema Road,
Dhobi Talao, Mumbai - 400 020.

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Auditor's Report on quarterly and year to date Standalone Financial Results of Valecha Engineering Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

To
The Board of Directors
Valecha Engineering Limited

Report on quarterly & year to date Standalone Financial Results

We have audited the Standalone Financial Results of Valecha Engineering Limited ("the Company") for the quarter ended March 31, 2017, and the year to date for the period April 01, 2016 to March 31, 2017 attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended).

Management's Responsibility for Standalone Financial Results

These quarterly and year to date Standalone Financial Results have been prepared on the basis of standalone interim financial statements, which are the responsibility of the Company's management.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules there under and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial results as well as year to date results:

- (i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 as well as the year to date results for the period from April 01, 2016 to March 31, 2017.



Emphasis of Matter

We draw attention to the following matters in the notes to Audited financial statements:

- (i) Note no.29 in the Audited Financial Statements indicate that the Company has incurred Substantial losses from its operations during the current and previous year which has eroded its net-worth substantially. The Company has also incurred net operating cash loss during the current year. Further, the Company has defaulted in repayment of borrowing and payment of statutory dues, and few banks have categorised the Company's bank accounts as "Non-performing Assets". These conditions, along with other matters set forth in Note no.29 in the audited financial statements, 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 financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.
- (ii) The investment in Valecha Infrastructure Limited and Valecha Kachchh Toll Roads Limited, subsidiaries of the Company, whose net worth has been fully eroded, is carried at Rs.9,833.50 lakhs in the Balance Sheet as at March 31, 2017. The investment in Valecha International (FZE), which has no operations for several years, is carried at Rs.26.44 lakhs as at March 31, 2017. Further, loans and advances given to these subsidiaries aggregating to Rs.14,293.19 lakhs are outstanding as at March 31, 2017. However the Management does not expect any material impact affecting the current year's financial statements on account of provision for diminution in the value of investments and recoverability of loans and advances. Accordingly, no provision has been made in the financial statements.
- (iii) We did not audit the books of account due to non-availability of supporting documents of three (3) project sites whose statements reflect total assets of Rs. 5,276.49 lakhs (5.20% of total assets) as on March 31, 2017, total revenue of Rs.738.87 lakhs(1.70% of total revenue) and total profit of Rs. 4.99 lakhs (-% of total loss) for the year ended on that date.
- (iv) Note no. H in the Audited Financial Statements which indicate that, balances of certain trade receivables and advances are subject to confirmation and reconciliation. However, the Management does not expect any material variation affecting the current year's financial statements on account of such reconciliation/ adjustments. Accordingly, no provision has been made in the financial statements.

Our opinion is not modified in respect of these matters.

For D. M. JANI & Co.

Chartered Accountants

Firm Registration No. 104047W



DILIP M.JANI.

Proprietor

Membership No.017259



Mumbai, Dated: August 16, 2017

Declaration

I, Jagdish K. Valecha, Vice Chairman cum Managing Director on behalf of the Board of Director of Valecha Engineering Limited ("Company") having CIN: L74210MH1977PLC019535 hereby declare that D M Jani & CO. Chartered Accounts, the Statutory Auditors of the Company have given an Audit report with unmodified/unqualified opinion on Audited Consolidated and Standalone Financial Results of the Company for the Financial Year ended 31st March, 2017.

This declaration is issued in compliance of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 as amended by the SEBI Circular No. CIR/CFD/CMD/56/2016 dated on 27th May, 2016.

For VALECHA ENGINEERING LIMITED



(JAGDISH K. VALECHA)
Vice Chairman cum Managing Director
DIN: 00013070

Date: 16th August, 2017
Place: Mumbai